

Letter from the Editor

BY ALBERT J. MILLS

Welcome to the spring edition of 2016. In this issue we feature five articles and a case from the proceedings of the 2015 annual conference of the Atlantic Schools of Business, held in Fredericton in September (25-27) and hosted by the University of New Brunswick, under Conference Chair Basu Sharma.

Our first article – by C. Elliot Ince, R. Blake Jelley and Stacey L. MacKinnon of the University of Prince Edward Island – focuses on leadership issues at work. In particular it examines the relationship between leadership and employee well-being. Elliot et al. contend that the while leadership and its impact on work has been studied to a considerable degree, not enough research utilized qualitative research to get at the experiences of the people involved. To that end they undertake a systematic review to attempt a synthesis of qualitative with quantitative research. They conclude with a number of observations and suggestions, including i) that qualitative research is useful for the development of understandings of the “subjective person”, and ii) that effective leadership is complex and requires greater contextualization to understand how it works at the experiential level.

In our second paper, Chris Hartt (Dalhousie University) and Dutch researcher Luc Peters utilize actor-network theory to examine the role of history in business research, arguing that the whole question of time needs to be problematized. To that end they pose the idea that “perhaps much of our failure to do or use history well begins with our failure to disclose how we conceive of time and the related constructs”. They then proceed to raise a number of critical questions about time and its relationship to the past and to history. In a far ranging theoretical examination Hartt and Peters challenge business researchers to rethink the whole notion of time and the various implications. In line with their critique of time they reflect on the paper’s conclusion as, in itself, a timely artifact constructed for the purpose of sensemaking.

Moving to the issue of information technology, University of New Brunswick’s Rebecca Angeles provides an account IT support for omnichannel retailing. After providing a definition and discussion of the development of omnichannel retailing Angeles discusses the type of IT support that is needed to enable the omnichannel retailing experience. She concludes with the surprising finding that “the emergence of physical brick-and-mortar stores as a classic favorite sales channel is prompting significant initiatives among leading-edge retailers”. This, she argues, is an appropriate response to today’s customers who will only intensify their demand for customized fulfillment of their preferences from the early stage of product exploration to the final stage of order processing”.

Our fourth paper is by Yves Robichaud (Université Laurentienne) and Egbert McGraw (Université de Moncton) and examines the factors of success of male compared to female entrepreneurs. More precisely, they study whether – and/or to which extent - gender differences affect the successful economic performance of small businesses in Canada. Using factor analysis, the test results “demonstrate more similarities than differences in the leading success factors . . . in the results between men and women”. They conclude that “comparing the cumulative average of the three scales of success factors by gender shows that men and women agree on the importance of . . . ‘personal characteristics and product / service’ in the success of their business. However, women entrepreneurs in the sample attach greater importance to the ‘business support’ factor than men”.

Our next article contributes to our ‘educational practice series’ and is by Thomas Mengel (Renaissance College), Maha Tantawy (Interdisciplinary PhD student) and Jeffrey J. McNally (UNB). They focus on social entrepreneurship education in Canada, arguing that it “is still a fairly young area of

interest within the field of entrepreneurship education” that is nonetheless “growing rapidly in terms of research and practice”. The challenge, as Mengel et al. see it, is that there is something of a proliferation of educational frameworks for teaching the subject and a need to review them to develop “well-designed and learner-centered courses”. Following a review of a number of different pedagogical frameworks, they conclude by supporting the work of Fornaciari and Lund Dean’s (2014) contention that an andragogical syllabus can be an effective collaborative tool between instructor and student if we recognize its dialogical character.

Finally, our case series ends with the regional gurus of case studies – Robert A. MacDonald and Heather Steeves of Crandall University. Leaving no stone unturned - almost literally - the case focuses on Crandall University’s bookstore. Here the authors get us to explore issues of how a small business can “respond to new entrants who are exploiting innovation to change industry fundamental”.

We hope that the collection of five papers and a case will offer food for thought and provide a glimpse not only into the excellent research that goes on in the region but also the links between scholars within and outside of the Atlantic region. The October edition of the *Workplace Review* will feature a further selection of papers from the 2015 conference. Meantime let me take the opportunity to remind people of the forthcoming 2016 conference, chaired by Albert J. Mills and Jean Helms Mills, hosted by the Sobey School of Business at Saint Mary’s University and taking place from October 21-23 at the Sobey Building. Details of the conference can be found at the ASB website: <http://asb.acadiau.ca>

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LEADERSHIP'S EFFECTS ON EMPLOYEE WELL-BEING: SYNTHESIZING THE QUALITATIVE EVIDENCE

The scholarly literature related to leadership and well-being has involved relatively few qualitative studies. We sought to synthesize current qualitative literature relating to leadership's effects on employee well-being in order to broaden our understanding of leadership and well-being, as well as compare the qualitative and quantitative approaches to this important topic.

Leaders at all levels of an organization's hierarchy can have considerable impact on the well-being of their employees (Gilbreath & Benson, 2004; Kuoppala, Lamminpää, Liira, & Vainio, 2008; Skakon, Nielsen, Borg, & Guzman, 2010). Most people spend a large portion of their lives at work and, consequently, under the influence of organizational leaders. The average working Canadian, for example, spends thirty hours per week at work, which accounts for over a quarter of weekly waking life (Statistics Canada, 2015). Understanding employee well-being and how to enhance it is of critical importance. In the present paper we focus on leadership as a major influencer within the complex web of organizational factors that influence employee well-being. The purpose of this study was to synthesize qualitative research on leadership and well-being, to compare it to quantitative findings, and to determine the extent to which evidence from different paradigms converges or offers diverse insights on this important topic. We begin with an overview of the existing quantitative research on leadership and well-being before discussing qualitative approaches to research and our systematic review of qualitative studies in this area.

Defining Well-Being

Well-being refers to "the state of being comfortable, healthy, or happy" (Oxford English Dictionary, 2015) yet it is not a discrete, consistently operationalized concept. To date, conceptualizations of well-being at work include burnout, organizational commitment, and quality of working life (Kara, Uysal, Sirgy, & Lee, 2013); occupational stress (Dobрева-Martinova, Villeneuve, Strickland, & Matheson, 2002); positive feelings one has towards oneself in a work environment (Van Dierendonck, Haynes, Borrill, & Stride, 2004); lack of depression and anxiety, and positive mood (Shier & Graham, 2011). Systematic reviews of the quantitative research have synthesized these findings into broader concepts of well-being that include job satisfaction, emotional exhaustion, and job balance (Kuoppala et al., 2008; Skakon et al., 2010). These various conceptions and operational definitions provide insight into the nature of well-being, illuminate its malleability, and its inherent subjectivity.

Perspectives on Leadership and Relations with Employee Well-Being

From the quantitative research literature we see leader support and consideration among the most significant behavioral influencers of employee well-being (Kuoppala et al., 2008; Skakon et al., 2010).

Supportive leadership involves a leader showing care towards employees' feelings, concerns, performance, and other personal factors. Employees supported by their leaders often feel more comfortable and committed at work, and have generally higher well-being (Dobрева-Martinova et al., 2002; Hakanen, Bakker, & Schaufeli, 2006; Moyle, 1998; Rhoades & Heisenberg, 2002). In contrast, leaders who behave in negative and abusive ways towards employees are likely to hinder employees' well-being (Harris & Kacmar, 2005; Tepper, 2000; Yukhymenko-Lescroart, Brown, & Paskus, 2014). Negative interactions have been found to relate to employees' decreased organizational commitment, job satisfaction, and life satisfaction; and increased psychological distress and depression (Tepper, 2000).

The impact of leader support and consideration may in part be explained by Bowlby's (1969) theory of attachment (Hudson, 2013). Leaders who are able to form secure attachments with others may positively influence employee well-being by providing a secure base of support (Hudson, 2013). Hackman and Wageman (2007) noted that secure leaders are better able to achieve organizational goals and focus on employees, as they are not preoccupied with their own insecurity. Hudson (2013) mentioned how such leaders provide employees with support and a secure base, while working to develop employees' self-esteem and confidence. Healthy leader-follower relationships resulting from secure leaders were noted to bring meaning and value to employees' work, allow employees to feel comfortable being creative, and lessen employee stress (Hudson, 2013). In contrast, unhealthy relationships formed by insecure leaders have been shown to lead to symptoms of stress and stress-related illnesses (Cooper & Payne, 1991), as well as contribute to low levels of follower satisfaction, motivation, and involvement (Hudson, 2013).

The importance of leader support and consideration is highlighted in Greenleaf's (2002) theory of *servant leadership* (Lanctot & Irving, 2007). Servant leadership focuses on ethics, virtue, and morality, and emphasizes employee welfare and well-being. Spears (1998) outlined the main qualities that constitute a servant leader – listening ability, empathy, interpersonal and self-awareness, stewardship, and commitment to people's growth. Jaramillo, Grisaffe, Chonko, and Roberts (2009) argued that subordinate welfare is the very essence of servant leadership. In addition, Chung, Jung, Kyle, and Petrick (2010) outlined two foundational factors of servant leadership – trust in leader and leader support. Supportive leadership behaviours are consistent with a servant leadership perspective with research demonstrating that servant leadership enhances fair treatment, team effectiveness, and trust (Parris & Peachey, 2013).

Leader-member exchange theory (LMX) adopts the notion that leaders vary in their treatment of certain employee groups. Members of an "in-group" develop high quality relationships with the leader, based on trust and respect; whereas members of an "out-group" form distant and contractual relationships with the leader (Liden, Erdogan, Wayne, & Sparrowe, 2006). The effects of high-quality LMX have typically shown positive results relating to employee well-being. Zhang, Tsingan, and Zhang (2013) found that high-quality LMX reduced the effects of stressors which lead to higher job satisfaction and lower turnover intentions. Epitropaki and Martin (2005) found that high quality LMX relationships between leaders and employees were positively related to job satisfaction, well-being, and organizational commitment. Conversely, there is also evidence that some employees (e.g., those with high negative affect) do not benefit from high quality LMX, and instead experience high levels of work tension (Brouer & Harris, 2007). Furthermore, the larger the perceived difference between a leader's favoured and non-favoured groups, the lower was overall employee satisfaction and well-being. "Out-group" employees showed the highest levels of work tension (Brouer & Harris, 2007). The LMX research demonstrates the importance of the nature of leader-employee relationships on employee well-being.

Bass's *Full Range Leadership Model* may also be used to help us understand relations between leadership behaviors and employee well-being (Bass, 1990; Bass, & Riggio, 2006). This model is comprised of three main leadership approaches. The first approach, *transformational leadership*, focuses on the leader inspiring and motivating employees with a strong vision while providing intellectual

stimulation and individualized consideration. This style of leadership consistently shows positive effects for employee well-being and related factors. For example, Arnold and Connelly (2013) found transformational leadership improved employees' feelings of involvement, cohesiveness, commitment, performance, and engagement. What's more, investigations of this leadership style on employee burnout found that employees tended to experience less burnout when transformational leadership was used (Densten, 2005; Leithwood et al., 1996; Seltzer et al., 2005; Sosik & Godshalk, 2000).

The second style, *transactional leadership*, focuses on the leader providing contingent rewards based on employee performance, and taking action to respond to deviations from norms (Bass, 1990; Bass, & Riggio, 2006). Whereas transactional leadership does not inherently negatively affect employee well-being, it has been shown consistently to be less closely related than has transformational leadership to well-being criteria (Skakon et al., 2010). Transactional elements can have positive impact on employee well-being when incorporated into an overall transformational leadership philosophy (Bass, 1999).

Laissez-faire or passive leadership is the third style within the full range leadership model and has been associated with the most detrimental results. Bass (1998) noted that laissez-faire leadership is significantly less effective than are transformational or transactional leadership in virtually all organizations. In their meta-analysis, Judge and Piccolo (2004) found laissez-faire leadership to negatively affect the same factors that were positively affected by transformational leadership; namely job satisfaction, satisfaction with leader, and perceived leader effectiveness. Skogstad, Einarsen, Torsheim, Aasland, and Hetland (2007) argued that laissez-faire leadership is in fact a type of destructive leadership. The effect of leader inaction is far from neutral. Laissez-faire leadership has been linked with higher amounts of employee bullying as well as role conflict, role ambiguity, and employee conflict (Skorgstad et al., 2007).

A leader's personality, positive work attitudes and feelings, and emotional intelligence have all been identified as important prerequisites of effective transformational leadership (Walter & Bruch, 2009). Based upon their systematic review, Walter and Bruch (2009) created a model that outlines the importance of positive leader affect for transformational leadership. A leader's emotional intelligence was found to play an important and complex role in this model. In essence, high levels of emotional intelligence can act as a buffer when leaders are experiencing negative affect. A leader who has high emotional intelligence and is experiencing negative affect can "ignore" a certain amount of the negative affect in order to still produce transformational leadership.

A leader's ability to regulate his or her emotions is important for employee well-being since emotions can be contagious. Researchers examining emotional contagion experimentally have found that positive emotions displayed by a leader increased followers' positive moods (Bono & Ilies, 2006). These findings have been further substantiated by evidence that a leader's high level of stress or poor well-being has been associated with employees' high levels of stress and poor well-being (Skakon et al., 2010). Hackman and Wageman (2007) argued that a leader's ability to avoid high stress and poor well-being is likely linked to support they receive from their own leader. This likely indicates the need for a continual chain of leader support throughout an organizational hierarchy in order to facilitate well-being throughout the organization.

Potential Contributions of Qualitative Research on Leadership and Well-Being

There is no doubt that the current research provides us with various approaches, conceptualizations, and findings relating to leadership's effects on employee well-being. However, we noticed that the extant knowledge base in this area is based primarily on quantitative research and seems to be lacking in-depth qualitative research. Quantitative work generally focuses on using existing

theoretical models to identify constructs to measure numerically and analyze statistically to identify relations with other variables within those models. Occasionally, quantitative researchers have also used experimental manipulations. The measures used in such studies are meant to reflect participants' feelings, perceptions, attitudes, beliefs, and behaviours. Unfortunately, we still have little insight into the lived experiences of employees from descriptions in their own words. The quantitative research fails to capture the personal nature of these concepts, including employees' accounts of how leaders have affected the employees' well-being.

Various approaches to qualitative research exist, but generally the *people* aspect takes a more fundamental position in qualitative than in quantitative studies. Qualitative research focuses on human responses intimately embedded in their contexts. Qualitative work does not typically aim to measure various psychological constructs, but allows participants to express subjective meanings in their own language. Qualitative research is becoming more accepted and prominent in organizational research (Gephart, 2004; Pratt, 2008). However, the amount of qualitative work on leadership and well-being is significantly overshadowed by quantitative work. Several comprehensive reviews of the quantitative literature exist in this domain (Donaldson-Feilder et al., 2013; Kuoppala et al., 2008; Skakon et al., 2010; Walter, & Bruch, 2009). Our search uncovered no systematic reviews that included, let alone dealt exclusively with, qualitative literature related to leaders' effects on employee well-being. Skakon et al. (2010) recognized this issue in their systematic review and called specifically for more qualitative research.

Our aim in the present study was to integrate current qualitative literature relating to leadership and employee well-being. By bringing together the concepts, themes, and findings of the qualitative literature we hoped to broaden our collective understanding of leadership and well-being through in-depth accounts by those involved. This study also sought to compare and contrast the findings and approaches of this qualitative literature with current quantitative literature in order to determine commonalities, divergences, contextual factors, and new understandings of concepts within this important research area.

Method

The crucial criterion for inclusion of a primary study in the present systematic review was that the primary study had to have used a qualitative methodology to study leadership and employee well-being. PsycINFO was the main database we considered, with nearly all reviewed studies being drawn from it. Other databases including, PsycARTICLES, ERIC, and Business Source Complete were considered briefly. However, since they provide no methodological filters the latter databases are not discussed further. PsycINFO provided both a methodological filter and appropriate substantive content.

The overall process of this systematic review was informed by Craig, Sainsbury, and Tong (2007), and Meline (2006). We adapted the seven-step process for conducting a systematic review outlined by Meline. Meline, and Craig et al.'s suggestions for determining the relevance and quality of studies were instructive and guided the creation of our specific selection criteria.

Selection Criteria

Only scholarly articles published in the period of 2005-2015 were considered. These publish date constraints were used to focus on recent research. Qualitative studies often situate themselves within a context of current quantitative-informed paradigms of leadership; and thus, often comment on, or are critical of, these modern paradigms. This fact lends itself to an aim of this study, being to contrast qualitative and quantitative research on leadership and well-being.

Primary studies had to focus explicitly on leader actions and their effect on employee well-being, or concepts related to well-being. We sought qualitative studies specifically and were open to any methodological approach that was qualitative in nature. An included study had to report, at least partially, employee responses and attitudes. Studies that only reported on leader perspectives were omitted. The overall quality of studies was also considered using the Craig et al. (2007) thirty-two item checklist for reporting qualitative studies. We were only able to consider studies written in, or translated to, English, though no restrictions were placed on the culture of study participants.

The main keyword categories for our search were: Leader, Employee, and Well-Being. Keywords used in the Leader category included, “leader”, “leadership”, “manager” and “supervisor”. Keywords used in the Employee category included, “employee”, “subordinate”, and “follower”. Keywords used in the Well-Being category included, “well-being”, “job satisfaction”, “organizational health”, “organizational wellness”, and “organizational support”. From these keywords 267 studies were retrieved. After title, abstract, and methodology screening, the total of relevant studies was reduced to 25. After full text screening of these 25 studies, the number of relevant studies was reduced to nine.

In addition to the studies identified via PsycINFO, one additional study was obtained from a request sent to the Academy of Management’s Organizational Behavior Listserv. This request specifically asked for qualitative studies, published or unpublished, that examined leader actions and employee well-being or work attitudes. The obtained study was screened by title and abstract, as well as full text. It was then accepted as a relevant study, bringing the total number of relevant, included studies to ten (see Table 1). The first author led the development and implementation of the search strategy, consulting with the research team in the development of the inclusion and exclusion criteria. The first author conducted the searches, screened studies for inclusion or exclusion, and conducted the detailed review of primary studies.

Table 1

Qualitative Studies Included in the Systematic Review

Study	Focus of Study	Participants	Data Collection Method	Analysis Method
Carter & Baghurst (2014)	Employee perspective on servant leadership	11 employees from a servant leadership led restaurant	Focus groups, documented data, observation	Van Kam method of data analysis
Cunliffe & Eriksen (2011)	Relational leadership theory	6 Federal Security Directors, 4 Screeners at 6 US airports	Ethnography: Semi-structured interviews	Abduction: Seeking “surprises” in the data
Dhar (2012)	Employee perceptions of organizational support	36 project managers, team leaders, executives of an Indian IT company	Semi-structured interviews	Hermeneutic phenomenological analysis
Hulpia & Devos (2010)	Distributed leadership and organizational commitment	59 principals, assistant-principals, teachers	Semi-structured open ended interviews, focus group	Comparative analysis

Karakas & Sarigollu (2013)	Benevolent leadership & creating virtuous & compassionate organizations	32 managers, employees and other stakeholders of an Anatolian Tiger company	Semi-structured interviews	Interpretive phenomenological analysis: Narrative inquiry
MacDermid et al. (2008)	Workers' views of workplace health	40 male and female workers from both traditional and emergent employment	4 semi-structured interviews, 7 focus groups	Thematic analysis
Parry & Kempster (2014)	Follower narratives experiencing charismatic leadership	Executives and MBA students in executive development programmes	Focus groups	Aesthetic narrative positivism
Wallis, Yammarino, & Feyerherm (2011)	Individualized leadership dyadic relationships	Leader-subordinate pairs of senior executives	One-on-one semi-structured interviews	Thematic analysis
Wallo, Ellström, & Kock (2013)	Managers' and co-workers' understanding of leadership in an industrial organization	4 managers, 14 first-line managers, 17 operators	Case Study: semi-structured interviews	Thematic analysis
Shier & Graham (2011)	Factors that impact social workers' subjective well-being	13 social workers who had the highest scores on a subjective well-being measure	Ethnography: semi-structured interviews	Analytic induction

Analysis Strategy

The ten research articles deemed relevant for this study were reviewed thoroughly and analyzed for common themes. Much like the qualitative studies themselves, the results and themes within this study are interpretive in nature. That is, our systematic review is an example of an interpretive synthesis (Rousseau et al., 2008). Preliminary themes were identified by synthesizing employee and leader reports. Those themes were then applied across all ten studies and further adjusted and refined. The authors of specific primary studies explicitly outlined some of these themes whereas other themes have been organically interpreted from study findings. Given the contextual and interpretive nature of leadership and well-being, our understanding of their relationship can never be truly complete. Like other interpretive syntheses, our findings provide possible rather than definitive explanations and insights (Rousseau et al., 2008).

Results

Leader Support, Commitment, and Loyalty

Nine out of the ten primary studies mentioned the importance of leader support, or commitment/loyalty for employee well-being. Followers used metaphors of support when describing positive feelings towards their leaders. A “flotation device in a sea of doubts,” and an “oasis in the desert” were used to describe the support employees felt from their leader (Parry & Kempster, 2014). Employees receiving support from leaders, through guidance and supervision, reported positive feelings towards their supervisor, feelings of belongingness and commitment to their organization, as well as increased morale (Dhar, 2012).

The importance of leaders supporting employee self-worth was commonly mentioned throughout the studies. Leaders practicing individualized leadership were able to show support for employee self-worth by trusting their employees, as well as believing in their abilities, integrity, and personal motivation (Wallis, Yammarino, & Feyerherm, 2011). An employee from the Wallis et al. study explained:

Even just yesterday, she came down here and we had just terminated one of our physician groups...and I guess I appeared somewhat frazzled, so last night she called me at home to say, 'Are you okay? You're my barometer, so when you're frazzled then I know...it's affecting others.' It's just her sensitivity and taking the time to call me to see what was doing... It's like the best possible situation. Somebody who I feel extremely comfortable with, sharing my feelings, I don't have to worry about any kind of political games or issues, I tell her what's on my mind, and she accepts me! (p. 193)

Leader-follower relationships that prioritized elements of support had strong impacts on employee well-being, with employees reporting feelings of validation (Wallis et al., 2011), honour in belonging (Shier & Graham, 2011), safety (Parry & Kempster, 2014), and team cohesion and respect (Hulpia & Devos, 2010). Employee feelings of self-worth support were also reported when leaders respected and valued employee opinions, and allowed employees to have a voice (Shier & Graham, 2011). In contrast, leaders perceived as needlessly authoritative and power hungry fostered unhealthy work environments and poor well-being (Carter & Baghurst, 2014; Shier & Graham, 2011).

Middle-management, being visible as both leaders and followers, also spoke to the importance of commitment, particularly their commitment to their own subordinates (Wallo, Ellstrom, & Kock, 2013). Leaders' commitment to their employees facilitated their position as a role-model and enhanced employee participation, commitment, and positive relationships. Employees also reported notions of positive well-being when managers showed commitment to employee health and safety (MacDermid, Geldart, Williams, Westmorland, Lin, & Shannon, 2008).

Servant leadership has an explicit focus on employee support and well-being, and is often considered to prioritize employees over any other organizational concern (Carter & Baghurst, 2014; Jaramillo, Grisaffe, Chonko, & Roberts, 2009). Carter and Baghurst focused exclusively on an organization practicing servant leadership and found generally positive reports from employees. Servant leaders actively worked to provide support for their employees' success. This commitment to employees was also seen in benevolent leadership (Karakas & Sarigollu, 2013). Leaders in a benevolent leadership organization focused on establishing environments that facilitate total support for employees, from material, to emotional, to educational, and to an extent, familial. Employees reported feeling compassion and care from their leaders and coworkers. Prioritizing employee support over such things like administrative duties or profits seems to have general positive effects for employee well-being.

Leader-Follower Relationships

The theme of leader-follower relationships is substantively similar to the leader support theme and was almost as prevalent in the primary studies. Employees sometimes mentioned notions of loyalty and commitment in a familial sense, regarding their leaders as similar to a family member (Karakas & Sarigollu, 2013; Parry & Kempster, 2014). Interestingly, these notions were sometimes accompanied by reports of “tough-love” or familial-like anger towards the leader. This illustrates the complex nature of these relationships (Parry & Kempster, 2014). Feeling of brotherly love and parent-like support were reported as positive influences at work for employees:

[My leader] has been as close to me as my own brother. He even helped me organize my wedding. He is my mentor. I rely on him as my spiritual guide and I seek advice from him. His time, energy, and patience have no limits. He is an extremely sincere and modest person. I feel very lucky to know him (Karakas & Sarigollu, 2013, p. 670).

Seven out of the ten studies mentioned leader-follower relationships, with employees reported the benefits of having positive relationships with their direct leader or supervisor. The benefits of a healthy leader-follower relationship, established with trust and openness, are clearly outlined by a satisfied employee:

I couldn't be successful in my job without the relationship I had with Mary because she runs with that senior group, and so she was able to do lots of context setting for me and also to be a thought-partner on difficult issues, and because we had amazing trust in our relationship, I could feel free to talk with her about all the confidential stuff I was hearing and knew was going on, and she could feel free to do the same. And in that context we could figure out, okay, what's best for the organization, what's best for the client, and how can we work together to resolve that (Wallis, Yammarino, & Feyerherm, 2011, p. 192).

Employees noted the benefits of being viewed as independently able, yet emphasized the importance of a positive interdependent relationship between themselves and their leader (Wallis et al., 2011). Overall, leader-follower relationships were seen as important by both leaders and followers, and were commonly recognized as being a crucial facet of effective organizations (Cunliffe & Eriksen, 2011; Shier & Graham, 2011; Wallo et al., 2013).

Benefits for well-being were reported by employees whose leaders focused on establishing healthy relationships. An organization shifting its leadership philosophy from task-oriented, process-oriented, and authoritative to team-management and relationship-oriented saw benefits for employees. Employees reported that leaders were more sensitive to their needs and provided them more autonomy (Wallo et al., 2013). The importance of the leader-follower relationship has also been noted as more important than effective leadership practices (Shier & Graham, 2011), with an employee's relationship with their direct supervisor being their most salient work relationship and having the greatest potential to positively or negatively impact their well-being (MacDermid et al., 2008). Leader-follower relationships have also been conceptualized as the foundation of charismatic leadership (Parry & Kempster, 2014). Effective relationships facilitate effective charismatic leadership, which led to employee reports of warmth, affection, and support.

Not only has the leader-follower relationship been considered the foundation of charismatic leadership, but it has also been considered the foundation of leadership itself. It has been noted that leaders, by necessity, are in relation with others. Through leaders' recognition of this fundamental reality, along with their commitment to foster good relationships, employee well-being is enhanced (Cunliffe, &

Eriksen, 2011). Effective leaders value employees as humans with whom to build relationships, as opposed to manipulable objects within a system. This view focuses on the human value of both members of a relationship, and facilitates individualized treatment as well as notions of growth and development (Parry & Kempster, 2014; Wallis et al., 2011).

Dialogue and Communication

The interpersonal nature of leadership demands a great deal of communication from leaders and the quality of this communication can impact employee well-being. The importance of this theme is apparent in that six of the ten primary studies mentioned the importance of communication. Employees reported positive well-being when their leader was consistently available for open communication with employees (MacDermid et al., 2008). Otherwise, employees reported feelings of bitterness and lack of respect for their supervisor. Quality communication between leaders and followers was also shown to build cohesion and trust. Employees in an educational environment felt this communication to be far more important than rules, procedures, or task-specialization in promoting their well-being (Hulpia & Devos, 2010).

Leader-follower communication provides a means of showing support and building relationships (i.e., communication is integral to the two themes reported previously). For example, employees reported the importance of their ideas being heard and valued by their leaders for employees' self-worth (MacDermid et al., 2008; Shier & Graham 2011). A leader being actively available and visible for communication with employees is a key social competence of leaders (Hulpia & Devos, 2010) and both leaders and employees have reported that leaders need social competence (Wallo et al., 2013). Employees reported substantially lower organizational commitment when leaders avoided communication, or did not make themselves visible. Communication within employee teams, involving leaders or not, is also important to employees (Wallo et al., 2013). Developing environments that facilitate strong employee-to-employee communications should help foster peer relationships (Hulpia & Devos, 2010; Wallo et al., 2013).

Several studies point to the dialogical nature of leadership, and how interpersonal communication is its very foundation (Cunliffe & Eriksen, 2011; Parry & Kempster, 2014; Wallis et al., 2011). Leaders providing employees with individualized treatment—shown to be highly positive for employee well-being—have emphasized the dialogical nature of their leadership (Wallis et al., 2011). It is within leader-employee dialogues that shared meanings are created, as well as beneficial employee contributions and participation. Thus, leadership communication is conceptualized as an active process by which leaders engage in dialogue—as opposed to leader-centric monologue—in order to discover meaning and facilitate employee well-being (Cunliffe & Eriksen, 2011). Effective leaders use these dialogues to question, provoke, answer, agree, and object with employees, as opposed to dictating and ordering employees. The positive effect of this process is outlined by an employee from the Wallo et al. (2013) study: *“The best is if someone comes with a problem and asks, “What should we do in this case? What do you think?” Then there is a dialogue right away, and a solution is found... It feels good.”* (p.230)

Employee Empowerment

In five of the ten primary studies, employee empowerment was mentioned as positively impacting well-being. The studies examining servant and benevolent leadership philosophies outlined employee empowerment as an integral leadership practice (Carter & Baghurst, 2014; Karakas & Sarigollu, 2013). These leadership styles prioritize employees over other organizational concerns, and thus work to support and empower them. Employee empowerment is not limited to these leadership styles, however, as employees seem to respond to empowerment in various organizational environments.

In leader-follower dyads characterized by individualized leadership, followers often felt empowered by their leaders as a result of trust and respect being shown by the leader (Wallis et al., 2011). Leaders empowered their followers by providing them with increased responsibility and autonomy, in conjunction with support and trust in their abilities. As a result, employees reported feeling motivated and inspired to do their best. Leaders rewarded employee performance with further responsibilities. It was these intangible rewards of increased challenge and responsibility that were emphasized as most meaningful by employees (Wallis et al., 2001).

Intangible benefits resulting from empowerment seem to be consistently valued by employees. Leaders emphasizing employee empowerment by allowing participative decision making were part of environments with higher employee organizational commitment and satisfaction (Hulpia & Devos, 2010). A principal within such an organization discussed the importance of employee empowerment in this respect: *“The school is carried by the whole school team, not a middle layer selected by the principal. I want to run the school with the whole team. If teachers are not empowered, it fails”* (p 571).

Employees also reported finding the intangible—in this case, the social, cultural, and mental—as more meaningful and impactful on their overall well-being than the tangible and safety hazards (MacDermid et al., 2008). Thus, employee empowerment, participative decision making in particular, was identified as a solution to increase employee well-being.

Personal Growth and Development

Empowerment is one means of fostering personal growth and development. Four of the ten primary studies had leaders or employees describe the importance of personal growth and development. The ability for employees to develop themselves within their work environment is often linked with notions of well-being (Carter & Baghurst, 2014; Hulpia & Devos, 2010; Karakas & Sarigollu, 2013). Similarly, leaders focusing on their own personal development were seen to positively influence employee well-being.

The studies examining servant and benevolent leadership outlined an explicit focus on employee growth within their leadership philosophies (Carter & Baghurst, 2014; Karakas & Sarigollu, 2013). For benevolent leadership, in particular, the leader established an organization that works to enrich the lives of people spiritually and emotionally, more so than materialistically. Employees are inspired and motivated to grow and strive for betterment:

I am in a continuous battle with myself. I am in search for a better self—more compassionate, kind, and considerate. If you ever want to progress and transcend yourself, you need to engage in constant reflection and struggle with yourself. You have to keep questioning yourself each and every minute. You have to go beyond comfort and convenience, and always force yourself to pursue challenges. It is not easy, but this constant striving and self-awareness is the key to progress and positive change (Karakas & Sarigollu, 2013, p. 671).

Employee development through learning has also been connected to positive effects for employee well-being (Wallo et al., 2013). Linked with empowerment, personal development through learning develops employee confidence in their skills and motivation to do their work. Organizations that emphasize personal and professional development tend to have higher commitment and satisfaction among employees (Hulpia & Devos, 2010). In contrast, organizations with a lack of concern and direction for personal growth have been linked with lower employee commitment and satisfaction. These issues were discussed by a teacher from Hulpia and Devos' (2010) study who outlined her leader's lack of support for the development of the staff: *“We have to solve our own problems. The principal loses himself*

in details. The important things, like supporting and encouraging teachers, that doesn't happen" (p. 569). The principal recognized these issues within the organization: "A self-evaluation revealed that in our school there is a lack of communication and a lack of appreciation from the leaders towards the teachers. And it's true, teachers do need more support, but I don't know how" (p. 569).

Leaders' focus on their personal development was also linked to benefits for employee well-being (Karakas & Sarigollu, 2013; Wallo et al., 2013). Some leaders mentioned the importance of developing their own selves, and through this, coming to know oneself as a manager. Leaders felt this made them better able to lead and facilitate the development of their employees (Wallo et al., 2013). Leaders also mentioned the necessity of self-questioning and monitoring in order to avoid self-centeredness. These processes allow the leader to stay committed to the best interests of their employees, as opposed to their own interests (Karakas & Sarigollu, 2013).

Discussion

Having examined available qualitative studies related to leadership and employee well-being, it is clear that there is support for many of the theories derived from the quantitative research. Much of the qualitative research uses concepts similar to those found in the quantitative studies and theories synthesized previously (Kuoppala et al., 2008; Skakon et al., 2010). For example, fundamental factors of Bass' transformational leadership – consideration, support, stimulation and growth – make up significant themes within the qualitative literature. In addition, there is general consistency in the language used to describe various leadership approaches. Both the quantitative and qualitative research agree on the importance of leaders supporting their employees, facilitating effective communication, as well as empowering, growing, and stimulating employees. These similarities between the methodologies provide converging evidence for the styles of leadership that are beneficial for employee well-being. However, the qualitative literature also makes some distinct contributions. The understanding of leadership as a concept, and the language surrounding it, is not equivalent between the methodologies. The qualitative literature challenges various notions that are often embedded within the quantitative literature.

Divergences in Leader Focus and the Power of the Follower

The current models of leadership, informed by quantitative research, are often leader-centric. They tend to focus on top-down determinations of important leader characteristics, traits, and actions that are deemed to be foundational to a leadership style and can be adopted by others (Perry & Kempster, 2014). These conceptions of leadership, referred to as essentialist, often view followers as quasi-sterile items within organizational systems that are manipulated by leaders. Certain qualitative approaches to leadership challenge this concept of leadership by placing more emphasis on the follower (e.g. Auvinen, Aaltio, Blomqvist, 2013; Hulpia & Devos, 2010; Perry & Kempster, 2014;). Perry and Kempster (2014), for example, challenged the notion that charismatic leadership involves a particular set of traits, and argued that it is instead defined from the bottom-up by perceptions of the followers. They argued that the follower in a charismatic leadership relationship, in fact, has more influence in the relationship than the leader does because it is the follower that judges the extent to which the leadership is charismatic and whether or not that is perceived favourably in the workplace. Similarly, Wallis et al. (2011) argued that the follower has a great deal of influence in deciding whether or not, or to what extent, to respond to effective leadership practices. Factors often conceptualized within an effective leadership relationship such as trust, respect, and acceptance are argued to require a significant amount of input from the follower as well as the leader. Even the best leadership characteristics will not result in employee well-being if the employees themselves are not believers in the process.

As a result of the leader-centric and comprehensive models of leadership, a “hero-” or “saviour-like” conception of leaders can often emerge. These models conceptualize leaders as single discrete entities who “save” their organization from harm. It is the leader who acts and the follower who responds (Alvesson & Sveningsson, 2003; Hulpia & Devos, 2010). In contrast to the “lone hero” conception of leaders, Hulpia and Devos (2010) outlined the importance of distributed leadership, in which leadership practices are dispersed across a team. Leadership practiced in this way was shown to be very beneficial for employees, who were also participating as leaders. By giving employees an active role in leadership, leaders encourage ownership of and investment in the governance and success of their workplace environment.

Leadership as a Social Identity

Leadership is, by necessity, a social practice. Though its social nature is not entirely neglected by the quantitative literature, notions of how and where the “social” fits into leadership can vary substantially between quantitative and qualitative work. Within the qualitative literature leadership is frequently conceptualized as a socially-constructed identity, or as existing within a context of social-construction. This is in stark contrast to conceptualizations within the quantitative research, where the focus is more often what leaders do as opposed to who leaders are.

In quantitative research, the social aspect of leadership is central, yet not foundational. Understandings of leadership operating within the quantitative literature tend to conceptualize leadership as a process, or system, which is implemented in social scenarios. In qualitative understandings of leadership, the social is commonly viewed as foundational—the social scenario is the very event that constitutes leadership. Auvinene et al. (2013) offered an important clarification: the leader is viewed as an identity that is created in the social realm, not an identity that steps into the social realm in order to influence it. They view both the leader and organization as a sharing of interpretations and meanings that allow for organized activity. In line with this, Alvesson and Sveningsson’s (2003) notion of leaders “extra-ordinizing” mundane activities leads to conceptualizing leadership as something akin to a “collective faith” within organizations.

Parry and Kempster (2014) offered a social-constructionist view of leadership by conceptualizing it as created through dialogue and relationships. The organic nature of these concepts is reflected in their notion of leader and follower identities as “emerging and becoming” relationships. Cunliffe and Eriksen (2011) reached a similar conclusion by starting with an overall relational ontology of leadership. This ontology was ideologically applied to leadership scenarios in order to view leaders as constituted by their relations to others. Cunliffe and Eriksen thus conceptualized leaders as embedded in an intersubjective, dialogical reality. In this light, organizations come to be understood as communities and conversations, rather than systems.

Limitations of this Study

Inherent limitations of qualitative research are present in this synthesis. In addition, there are limitations within interpretive synthesis as a methodology. Whereas interpretive synthesis has the benefit of evaluating both data and interpretations of data from multiple studies, the explicit focus on human experience can cause internal validity and effect sizes to be ignored or downplayed (Rousseau et al., 2008). What’s more, systematic reviews in general are most commonly used by quantitative studies. Many qualitative studies challenge the current quantitative informed paradigms, and attempt to situate themselves outside of them. Thus, conducting a systematic review of the qualitative literature may simply be re-entering these qualitative understandings into quantitative informed approaches; and thus removing some of their intended value. Qualitative researchers critical of the use of interpretive synthesis have

referred to this as “context-stripping” (Rousseau et al., 2008), as the narrative and contextual nature of qualitative research may simply be most valuable in its original, solitary, form.

A further limitation of this study is that a systematic review of the quantitative literature was not conducted simultaneously. This review, instead, relied upon findings from previous literature reviews of the quantitative literature. As a result, the comparisons made between the two methodologies may be somewhat incomplete. Finally, the general lack of qualitative research in this area limits the insights and conclusions than can be offered. If more qualitative work existed in this area, the themes and overall findings of this study could be refined.

Implications

Qualitative work is not only valuable in and of itself, it also has the ability to enhance and progress quantitative research. The types of data obtained from qualitative work, often being narrative in nature, have the ability to provoke critical thought as well as valuable questions. These two methodologies can also work in tandem through methodological triangulation in order to illuminate a research topic from multiple directions and highlight where there is and is not converging evidence.

Qualitative research stimulates a focus on the subjective person and allows for theories to be informed by the study participants more directly. This allows for practical, ground-up, people-oriented theories that relate in a direct way to their subject matter. However, there still remain important research questions related to leadership and well-being that have been left relatively untouched. The concept of well-being itself, for example, deserves more attention with qualitative approaches. The notion of “what is a leader?” is often more heavily studied, while investigations into conceptions of well-being are relatively scarce. Qualitative investigations focusing on the nature of well-being and how it is experienced by employees would be enlightening.

Achieving effective leadership is not a simple task. The complexities and shifting landscapes in which leaders work means that leadership can be considered “a chain of improvisational steps in significantly fragmented work practices” (Wallo et al., 2013, p. 229). Leaders may desire to be effective, but simply “*don’t know how*” (e.g., Hulpia & Devos, 2010, p. 569). This illuminates the need for leadership education and development to foster employee well-being and organizational effectiveness. Qualitative research has potential to provide memorable and actionable lessons for practice, grounded in cumulative knowledge. For example, “stories are effective teaching tools” because they inspire people to act and provide knowledge about how to act effectively (Heath & Heath, 2008, pp. 205-206).

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FAILING AT HISTORY

This essay approaches the question of multiplicity in business history, particularly works relying on actor-network theory. The arguments relate both scientific and philosophical approaches to time: the now; the past; the present and the future to propose a plausible resolution of the time question via an acceptance of the extant and the hyalosign.

Introduction

Kairos or Chronos; real or illusion; time is an important factor in the study of the past and reporting of history (Czarniawska, 2004). This paper discusses the failure of history and historical analysis beginning from the problem of time and continuing into the problem of past. In research we try to use the past to understand the present and give some plausible notion of the future; each of these concepts (past, present, future) depend on a shared understanding of time. Yet, researchers rarely reflect on their meaning of time. Perhaps much of our failure to do or use history well begins with our failure to disclose how we conceive of time and the related constructs.

Conceptually this essay attempts to resolve issues of history in the milieu of actor-network theory (ANT) and the development of methods of historiography by means of ANT. In order to do so, the issue of time in ANT must be illuminated to some degree, as must be the controversy of time. Kairotic and chronological time (the moment when things happen and the sequence of events) are considered in some depictions of ANT, but in conception ANT work attempts to freeze time. A basic criticism of ANT is this attempt to “clamp” time (Hunter & Swan, 2007; Kilduff & Brass, 2010; Whittle & Spicer, 2008).

Then there is also the notion of the “AND” (Deleuze & Guattari, 1987), which informs us that progressions in time, in whatever direction, are always disrupted by so-called irrational cuts (Deleuze, 1986; 1989). The cuts make the difference and are thus relevant in our understanding of history and change. It is not about the sequences of time, which slowly progress and which can be investigated, but it is about the way they are cut apart. It is about the zone of the in-between, the “AND”. How the “AND” and ANT intermingle and especially how this one letter, the T or the D make a difference in our conception of time is something which is intriguing.

This is especially intriguing due to ANT tendencies to clamp or freeze time, which implies time is a solid. Where did the idea that time can be molded into a solid come from? Deleuze and Guattari (1987) do not consider time to be solid, but rather describe it as fluid or even gaseous. For them, it is all about the process of “becoming” and how this ungraspable process can create reality. This is closely related to the philosophy of Michel Serres (Serres, 1995; 2008; Serres & Latour, 1995), who suggests that reality is more like the water in a fountain or in a percolator. “Time doesn’t flow; it percolates. This means precisely that it passes and doesn’t pass” (Serres & Latour, 1995, p. 58).

Time does not always flow according to a line, nor according to a plan but, rather, to an

extraordinary complex mixture, as though it reflected stopping points, ruptures, deep wells, chimneys of thunderous acceleration, rendings, gaps – all sown at random, at least in a visible disorder. (Serres & Latour, 1995, p. 57)

Time is paradoxical; it folds or twists, it is as various as the dance of flames in a brazier – here interrupted, there vertical, mobile, and unexpected. The French language in its wisdom uses the same word for weather and time, *le temps*. (Serres & Latour, 1995, p. 58, italics in original).

The fluidity of reality then also drives how we make sense of history; if history and time are fluid conceptions, then reality and history slip through our fingers or minds and are ungraspable, even incomprehensible. The wheels of time are then fountains of time, which we can jump into, which can splash us with experiences, and which we can also climb out of, but which are never the same. From this perspective, our understanding of the past is then how we perceive the splashes of our fountain.

Clamping the past in ANT

The past is controversial: it is controversial because, arguably, the production of knowledge occurs as a process in the present (Jenkins, 1991). Therefore histories are produced in their time of publication rather than the time of the events described. When situated in the past, this production is of that present. A confusing and possibly un-clampable contradiction; this confusion produces its own controversy (Law & Urry, 2005). ANTi-History research has shown that the production of knowledge of the past is impacted by the very description of events: accounts of the past play a role and constrain understandings of events (Durepos & Mills, 2011; 2012). Once again the temporal paradox of what is the past defies simplification. It is possible that an understanding of the past is an actant in the network. So time is held still, but the impact of history is active.

ANT tends to view time as clampable, able to be frozen. Or, at the very least, something which can be controlled for - this produces a seemingly scientific approach to time (Czarniawska, 2004). Time is treated as a variable in an experiment, linearly (Law and Urry 2005). In organizations, time is not measurable in such a specific form. Histories often describe events in an order, one event preceding another, as if there were a causal link between them (Weatherbee & Durepos 2010). Causation may be present, but often it is not. It is more common for time to be indeterminate: the Hundred Years' War did not end after exactly 100 years. The other wars, which we find in lists as occurring after this war (or series of conflicts), may have started during the Hundred Years' War. So the oscillation of history from inscription to actant to irrelevant is a challenge to the clamping of time, yet time cannot be denied regardless of the scientific desire to control it. We impose a narrative timeline on the retelling of events as a sensemaking tool, yet the analysis of traces does not support a discrete linearity of action.

In the linking of Critical Sensemaking with ANT and the intersement of networks, time as conceived of in events and opportunity is useful (Hartt, Mills, Helms Mills, & Corrigan, 2014). Both time and place are crucial, as well as the people, things and issues (Czarniawska, 2004). In her development of the action net, Czarniawska (2004) demonstrates how these special and temporal factors link actions into networks of production. This approach to time in post-ANT discovery extends the “travel guide” to include actions as key forces in the translation of a group to a network. The concept of time provides a better means to link “History” to the decisions made by individuals; time in the chronological sense is much less important than significant events and our understanding of them (kairotic time). This propels our understanding into a level of importance as an actor supporting the need for non-corporeal actants (ideas, beliefs, values). If time is kairotic or even chaotic (Law & Urry, 2005) in a network, then the connections of people, things and events are more performative than physical, actants are more non-corporeal than concrete. This is related to the concept of the AND as explained by Deleuze and Guattari

(1987) and the idea of a fluid time and reality as suggested by Serres (1995; 2008).

ANT requires a belief that actions are a function of interactions (Law, 1997); a passage of time resulting in causation. Interactions are political; they demonstrate power relations in the network (Bergström & Diedrich, 2011). Politics in the network are critical to the formation of the “real”. Discourse is the means by which these relations are enacted. Discourse produces an oscillation between the real and the relative, expressing the relational power of networks and choice. “Relativism is self-refuting. It is also an argument about knowledge, that is, it is epistemological. The argument we are making is about method-making-knowledge-and realities; it is both epistemological and ontological” (Law & Urry, 2005, p. 405). This real-relative duality as to the nature of ANT can also be applied to the nature of discourses in networks, which may be both ideational and constrained practice. The idea produces the discursive practice, which in turn reinforces the ideation (Fairclough, 1992; Fairclough & Thomas, 2004; Foucault, 1972).

In terms of the ahistoric nature of this real-relativity debate (is the past real or relative?) it becomes clearer when relating back to the concept of kairotic time and the relation of events rather than a methodical chronology. We can envision the manner in which power accounts for persistence in a network when we measure time in terms of actions rather than against a clock. Once embodied in an actant (as an understanding of the significance of an event – the idea of the event), the chronological time of the event becomes irrelevant to the power of the event. Time becomes a product of the discourse or as an argument within the discourse. This approaches the philosophical and scientific question of the nature of time.

But What is Time?

If time is; what is time (White, 1980)? The Greeks gave us the terms Chronos and Kairos for time, and their various spellings and interpretations. Kairos was the god of opportunity; Chronos the destroyer. It is fitting that Chronos may be the destroyer of all things, the eater of children or more simply inevitability. The depiction of Chronos (the god) as the mover of the zodiac wheel may provide our interpretation of time through the clock. Kairotic time, on the other hand, is more nuanced in terms of being either a specific moment or the right moment depending on which ancient Greeks you follow (McKerrow, 1999). We describe kairotic time as event based, in this form it is more easily contrasted with chronological time (Clear & MacDonell, 2010).

Czarniawska (2004) describes a weaving together of time and space in contrasting kairotic time with chronological time. If Kairotic time measures opportunities (happenings, events) and is contrived mentally in our experience, then chronological time is our common measure of time as a linear progression. Each of these forms appear to be a sensemaking outcome through which humans attempt to reconcile the uncertainty of what Einstein proposed as an illusion: time (Newton and Einstein 2009). Our need for time to exist, and for that existence to be linear, has a great deal of power over our sensemaking. Time as a source of power seems consistent with Critical Sensemaking theory (Mills & Helms Mills, 2004; Thurlow & Helms Mills, 2009).

In the previous paragraph we mention Einstein and his view that time is an illusion. Time is often described as the fourth dimension in common parlance [Music being the fifth]; however, contemporary physics describes a polydimensional universe with neither time nor music listed among the ten or so described dimensions (Hosomichi, 2014; Nilles & Vaudrevange, 2015). Time may not exist – which would be a problem for our study of the past and the traces, which culminate in histories. Einstein suggested that our experience of time is a manifestation of sensation of movement (de Brouwer, Brenner, Medendorp, & Smeets, 2014; Hoerl, 2014). In the mathematics which surround this explanation of time,

time does not behave in the manner of *chronos* (inevitable destruction) moving forward but may move either forward or backward. This permits Christopher Reeve (as Superman) to reverse time by reversing the spin of the earth [significant license is taken with the science for the movie]. More recent science has time as an effect of the outward motion of the universe as initiated by the Big Bang and therefore as a current theory suggests time will reverse when the expansion of the universe ends and contraction begins (Xue & Belbruno, 2014). Will the future then become the past?

Humans perceive time. We make sense of this perception through our understanding of ordinary things. So we construct time as moving like a river: inexorably to its disassociation into a lake, sea or ocean. However, if time is an illusion or merely a perceived effect of motion and possibly reversible, how can we construct the past? Einstein referred to past, present and future as convincing illusions (Callender, 2010). All three explanations of time were in his opinion actually simultaneous. Begin with the question of now. When is now? Of course, now cannot be identified because any time we describe as now is part of what we construct as the past as soon as we call it now. Therefore, there is no now (Callender, 2010). Einstein's approach from physics exposes a subjectivity to an allegedly objective reality in a manner approaching Kant, Husserl and Godel (Wang, 1995). From this it may be concluded that the pinnacles of science and philosophy both see time and the dependent constructs of past, present, future (along with now) as a problem, possibly an illusion and most probably an invention of the human mind.

It could even boldly be suggested that this illusion became dire as soon as the notion of progress entered the scene. In a pre-civilization time, the concept of time and thus the illusion of time were irrelevant. As there was no goal or end, the way towards this goal or end was non-existent. This implies that the time needed for going the distance was of no interest. To live meant following the mysterious ways of nature, and did not involve trying to change those ways, to produce this thing called "evolution". There was no urge for history or whatever lessons could to be learned from the past. Therefore notions of past, present or future were pointless. It was just the moment waiting to be disrupted by danger, hunger or sex.

Of course this problem with time throws a wrench into the whole correlation-causation debate. Without time there is no way for there to be causation. For something to cause another thing it must occur before that other thing. If time is an illusion, then of course, the concept of before must be a construction or convenient fiction, therefore the notion of cause is also an illusion. As this is also counter-intuitive (we certainly imply causation often enough with little evidence when we assume time to be real); why bother with research if causation is also an illusion? If, as Einstein contends, all "nows" are simultaneous and therefore the past, present and future are also simultaneous, then causation is moot. If however, we take Einstein, Kant and Husserl together and construct the simultaneity of now as a means of understanding knowledge as extant (in the now) then history becomes an inscription of a portion of the extant as constructed by an individual (or individuals) and can therefore be studied as such.

The issue of the history and the past then becomes irrelevant if there is no past. The incommensurability of ANT with history also falls away in the acceptance that time is essentially clamped by the simultaneity of now. History, the past and its traces, however illusory, are then clamped by the simultaneity of now and the collection of the extant. As the act of collection and the writing of the history are also compressed by the simultaneity of their now, the issue of presentism also becomes a question of perspective rather than a function of time. All time collapses into that which we understand to exist (extant), a collection of real, fiction, construction, and wishful thinking.

Hyalosigns

But there is more, and there obviously always is and will be, no matter how hard we try and stop the wheels in motion. The wheels in motion, more or less, can be related to the wheels of time, the interior machinery of the clock, as it sketched in the *Hudsucker Proxy* (Coen & Coen, 1994). In this film on time, business, the stock market, and of course the Hula Hoop, we see how time relates to motion. The janitor stops these wheels with the help of a broomstick. In effect halting the perceived source of the motion which the characters experience as time. It shows us that this messing with time has a decisive influence on the business of Hudsucker Industries and the stock-market. Could it be that time is governed by loyal janitors who choose broomsticks as their weapons? It is also a movie about the Hula Hoop, which suggests that time might be subordinate to Hula-Hoop movements (Strauß & Peters, 2011). The movement of the Hula Hoop decides how organizations actually function, not according to plans, not according to SM (scientific management), but to the bodily obedience to the Hula Hoop. Big wheels keep on turning and we have to move along it seems to suggest.

When thinking about time and film we cannot neglect French philosopher Gilles Deleuze. What was he trying to inform us about? In his books on cinema (Deleuze, 1986; 1989), with the help of French philosopher Henri Bergson, he explains what time is: time is duration, it goes on and on, without us being able to change it. Whatever happens is a constant potency of possibilities; it is the virtual. Whenever we stop time, we create an actualization, we stop the process of becoming, but this has no influence on the duration. Then how can we get in touch with this duration? For this, there is only one option, according to Deleuze, and that is the modern film (like the before mentioned *Hudsucker Proxy*). This is the film, which reveals direct images of time and shows that time isn't subjected to movement, but vice versa. These direct images are hyalosigns or crystal-images, and are incomprehensible fusions of past, present and future. They are: "the perpetual foundation of time, non-chronological time, Cronos and not Chronos" (Deleuze, 1989, p. 81). The Hyalosign or the crystal image is, then, the point of indiscernibility of the two distinct images, the actual and the virtual, while what we see in the crystal is time itself, a bit of time in the pure state (Deleuze, 1989). The actual is a potency of what could happen. The actual is when we have stopped time, to comprehend it, a present, or a past or future created in the present. The hyalosigns are the opposite of the so-called sensory-motor scheme, which implies that we see something (perception), we know what feeling is appropriate (affection), and we know what to do (action). There is a logical sequence between these and this sequence is subordinate to clock-time. It is comparable, with some fantasy involved, to the conveyor belt, as it was invented by the Detroit clock-time hero, Henry Ford (Grandin, 2010), who got his influences from the scientific management ideas of Frederick Taylor (1911). This conveyor-belt reasoning neatly divides time in comprehensible chunks; at least that is the suggestion. Deleuze informs us that this reasoning has estranged us from the world we live in and has imprisoned us in clichés (Peters, 2014). How can we regain this trust and break the chains?

As mentioned, there is only one solution according to Deleuze and this is the modern film, which is not based on the sensory-motor scheme; it is not based on clichés, but on hyalosigns. These show that there is no logical sequence, but a dispersed situation, in which there is no logical connection between means and ends. But what makes a difference in these hyalosigns? In other words, if it is only dispersed and there is no logical connection, what is in it for us? For this, Deleuze introduces the idea of the irrational cut. This is not a sensory-motor cut, but one that is irrational, it tears apart the logical sequence; it rips apart the connection between means and ends. For instance, if we were to watch a movie, and at a certain point the movie were stopped, there would be no way of telling what comes afterwards. There is no sense, only non-sense, just like in *Alice in Wonderland* (Deleuze, 2004). The essence is the cut itself. This cut creates a new situation and is therefore relevant in our thinking about time.

AND & ANT

Deleuze & Guattari (1987) also refer to these cuts, but they call them the AND. It is not about the sequences before or after the cut – they don't make the difference, they don't cut the figures. It is what happens between that matters. It is like the idea of alarm and the way it functioned in pre-historic times. The people living on the savannah had no interest in time, until an alarm went off. This could be a hunger alarm, a danger alarm or a sexual alarm. Whatever happened before or after the alarm was irrelevant; the alarm made the difference. This could be referred to as the AND. So time is duration, visualized by hyalosigns in the modern film and its decisive factor is the irrational cut, the AND. How AND and ANT intermingle is a good question, which deserves some serious thought. As suggested earlier, ANT flirts with the solid and the clamps, while the AND is slippery in a continuous process of becoming. They seem at odds and yet in agreement. They agree that time is an issue which must be dealt with, but also that as an issue it is not particularly important, either because it should be collapsed or part of a becoming. Both approaches fit within the nature of time as described by Einstein and the common need for a narrative tool of time.

Reflexivity on Time

Because time is an issue which although not crucial must be dealt with, we must consider it in research. When we write or research topics, we disclose our personal involvement in the work; we reflect on our feelings toward our subject. We do this because it is important to disclose any potential conflicts in our subjectivity (Boje, 2006; Bonner, 2001; Gunn, 2006). Rarely do we work on a subject that we do not care about. Latour's initial work in ANT was situated in a scientific laboratory and centred upon the social construction of science (Latour, 1983).

It is apparent that we socially construct time and therefore the past. In the same way that we disclose any personal connection to our work and how that connection might affect the analysis (unlike most scientists), we contend that we must also disclose how we conceive the past in historical or historiography analysis. If the past is really an extant now then what we believe exists is an important aspect of what we study. We choose our now and in that choosing we clamp the extant and those inscriptions we call traces. Therefore we must both be reflexive on our past and disclose how we construct it. Assuming a researcher clamps time, she must disclose how and why time has been clamped and if those clamps have been loosened. Considering that it is true that reality, as well as time, is fluid then we get in trouble when clamping. The clamping seems pointless as the reality or history slips through our fingers. Whenever we think it is there and we can catch it, it's already gone. The janitor with the broomstick gets in trouble when the wheels of time, into which he wants to insert his broomstick, turn out to be fluid. Obviously it is a human urge to grab onto something solid, which is probably the reason why walls are seen as useful constructions when trying to divide pieces or regions of history. This urge, however, gets hampered when the walls turn out to be waterfalls, geysers or percolators.

The Doctrine of the Extant

The doctrine of the extant (existence) conflates time and knowledge. If time is an illusion then this conflation is meaningless and irrelevant. Therefore, the reflexivity of the researcher with regard to time either highlights or discounts the problem of time. This is important in all research. On the face of it, one might state that the question of time is most important for research in history or historiography. This contention suffers from two problems based on the claims made earlier in this paper. Firstly, since all research works with existing knowledge, and by definition anything which exists must be from the past, then all research is history. Secondly, if time and the past are illusions, then time is irrelevant. All research is based on knowledge; that knowledge could be claimed as from the past for convenience purposes, but it certainly cannot be claimed as not from the past in any meaningful way. If time is denied

(illusory) then the past, present and future are all simultaneous nows, which are collapsed into the extant. They exist in the knowledge of the researcher. Even if the researcher believes she just learned something in a recent now, she has from a physical science perspective simply moved from one state of extant to another and (as we have all experienced) could easily forget and return to the other state.

Is this contention constructivist or factionalist (Kalderon, 2005; Latour & Woolgar, 1979; Stanley, 2001)? Does it matter? Is time an illusion, a construction or a convenient fiction? Perhaps, it is all three, a hyalosign in which we crystallize our need for explanation, the film of our perception and the accepted fiction. The doctrine of the extant would embrace this triumvirate in tension as providing situational explanans. In the sense of time as a heuristic for movement, the use of time in the explanation of knowledge is a practical tool, much like a fictional device. Wizards exist in the Harry Potter stories (J.K. Rowling), therefore the use of magic spells is reasonable; time exists in our story of an organization, and therefore describing a simultaneous now as somehow occurring in the past is a useful storytelling tool (a fictional device).

As described, we perceive time and explain time. We seem to perceive time in a kairotic (event by event) form and explain it in a chronological manner. This appears to be a tension between the social construction of time and the fiction of time. If there is only extant and non-extant, then our time can only be kairotic; there is the now at which knowledge (the past? History) become extant, which we perceive as an event. However, when explaining the extant at some other now we need a fictional device to make sense of the story. This sensemaking tool is the fictional device of time in chronology. We cannot make sense of a broomstick stuck in a cog permitting us to stop and experience multiple events so we construct a narrative of a flow collapsing the multiplicity of nows with the fiction of a fourth dimension.

So, even though; all knowledge of events, and therefore all events, occur simultaneously, we perceive the experience kairotically and describe it chronologically as if one thing occurred before another. If we apply the doctrine of the extant, we reflect on our need to delude ourselves with the illusion of time and disclose the means by which we have socially constructed/perceived this illusion: Kairos, and the way in which we have made and given sense of the illusion: Chronos.

Ultimately the doctrine of the extant permits not only the clamping of time (however difficult it may be to clamp an illusion) because we merely disclose what now we are pretending to be in; but also resolves issues of plurality and multiplicity in history. Each person's knowledge on a subject could be the sum of the traces contained within their extant in this now. If each person's extant is different and their use of time is both a social construction they endorse and a fiction they employ, then their History is reconcilable as an interaction of their extant and construction of time and potentially infinitely variable.

Conclusion

This conclusion, like time, is a device for the purpose of sensemaking. Readers may wish to add the essence of this paper to their extant (knowledge) without reading the whole of the work or possibly to resolve some challenges with the totality of understanding contained within the work.

As humans we need devices to resolve our existence therefore we summarize and conclude.

Contemporary physics presents time as our perception of motion through multiple dimensions. In general, we experience this perception in the three dimensions we see, but no doubt it is experienced in all eleven or more dimensions that seem to exist. Time in this sense is not a dimension but a construct of the dimensions, our perception and our need for explanation.

In the previous arguments we have compared this concept to social construction, fiction and

hyalosigns and eventually stuck a broomstick into our comparison and made sense of these explanations by relating them to the Einsteinian explanation of now. If all nows are simultaneous then each of our explanations are also simultaneous and part of the extant (the sum of our knowledge: learned but not forgotten).

Failing at history occurs when we attempt to resolve our perception of time as real rather than accepting time as an illusion. If we think *time* is real, then we may think that there is only one truth to be described in a history, but if we accept all events as both discrete and simultaneous then we can make sense of the differences in histories as variations in the extant. All of these variations occur simultaneously, but like all constructions they are made sense of differently by each who experience them. Therefore, our perception of time, like all other sources of individuality that may infect research, must be disclosed reflexively.

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INFORMATION TECHNOLOGY INFRASTRUCTURE SUPPORT FOR OMNICHANNEL RETAILING

This paper features a description of the information technology (IT) support for omnichannel retailing. The retailing industry is facing the newfound customer demand for a unified experience in buying from various sales channels. Top retailers are modeling how to make this transition using innovative technologies for the “front-end” customer experience and “back-end” order management.

Introduction

Interesting changes are happening in the retail marketplace that are clearly being dictated by customers’ needs in the light of the multiple touch points they could use to reach the retailer. With the Internet, online electronic, virtual stores, and marketplaces became commonplace. Currently, use of smartphones and global positioning systems, along with social media marketing, has powered location based mobile commerce, following the tracks of customers demanding retailers to enable them to purchase anything, anytime, anywhere. Thus, the concept of “omnichannel retailing” emerged.

There are memorable examples of leading-edge retailers that are now launching their own omnichannel initiatives. Those of Macy’s and Bloomingdale’s are particularly notable and capitalizing on the full interplay of their various sales channels. Bloomingdale’s Palo Alto store is its most digitally advanced to date. Sophisticated techno-features complement the industrial elegance of the physical storefront. Shoppers at this location enjoy wall-mounted tablets in smart fitting rooms that will enable them to look up colors, sizes, product ratings/reviews/recommendations for specific items they have picked (Wilson, 2014). The touchscreen feature of the tablets lets shoppers call for assistance from sales associates nearby. These rooms also have tables with charging stations for shoppers’ devices. Sales associates are also armed with mobile devices that act as point-of-sale (POS) terminals as well so that purchases can be captured immediately and quickly completed anywhere in the store. These same devices also enable sales associates to check product availability and communicate with customers via email, text, or smartphone. Bloomingdale’s CEO Tony Spring explains the intention behind these technological store embellishments (Lewis, 2015):

“...The third component is technology. I leave it for third because I don’t believe the future of stores is turning them into the websites. Stores have a reason for being. **We talk about the importance of discovery. It’s the combination of merchandise, people, visuals, events, and a store experience that is very important. Technology, combined with humanity, gives you consistency.** [bold letters added] The customer expects that. I don’t like having a great experience in shoes and a lousy one in women’s sportswear. We have a new fitting room service tool with an iPad in every fitting room that lets the customer communicate with the associate to get additional items, sizes or colors. I’m passionate about this because the fitting room leads to conversion. If she’s getting undressed and trying clothes on, she’s engaged. We added community tables around the fitting room, and charging stations, trying to think about what the future of shopping will be.

We added large touch screens in shoes, handbags and the home store to try to expand the assortment. This way, the customer in one of the smaller stores has the opportunity to see the rest of the assortment. However, it's assisted selling, not self-service. It's the way many generations like to shop now...." (Lewis, 2015).

Bloomingdale's is also targeting iPhone users by integrating the phone's Passbook feature into the retailer's short messaging system (SMS) marketing campaign (Johnson, 2014). The retailer uses a Passbook link that will enable customers who use iPhones to store promotional offerings such "SMS subscribers can take off \$25 on almost every \$100 spent, up to \$400!" on Passbook. SMS marketing campaigns have done well such as that of Kiehl, which achieved a 73 percent redemption rate on their offerings. Another online retailer, Julep, received 5,000 mobile opt-ins to its SMS phone campaign within the first 24 hours.

Macy's, a major U.S. retail chain, operates 850 department stores in 45 states, the District of Columbia, Guam, and Puerto Rico, using the physical store retail brands, Macy's and Bloomingdale's, and the online brands, macys.com and Bloomingdales.com (Kats, 2011). Within the wider Macy's umbrella chain, similar omnichannel retailing drives are taking place. Certain Macy's stores are using digital mannequins to allow shopper viewing of multiple changes in outfits throughout the day (Speer, 2012). In the shoe department, digital displays of shoes sit side by side the physical shoes themselves to show shoppers the full line of colors and material per shoe style. In the make-up department, the Clinique counters have tablets that enable shoppers to select skin products that match their skin tone and the unique characteristics of their complexion. Custom-designed kiosks called "Beauty Spots" will enable shoppers to search and select skin products from the complete range of brands carried in the store (Kats, 2011; Speer, 2012). A human "Beauty Spot" concierge will also be present to help shoppers and check out purchases using a mobile POS. Mobile devices are also made available in the fine jewelry section to demonstrate jewelry features and encourage shoppers to mix and match different pieces.

The objective of this study is to give a detailed qualitative description of the information technology (IT) support needed to enable the omnichannel retailing experience involving a retailer's sales channels. This study will also pinpoint the challenges that the IT departments of retailers need to face as they embark on this ambitious but unavoidable hurdle in the today's physical and digital marketplaces.

Literature Review

"...The omnichannel concept is perceived as an evolution of the multichannel. While the multichannel implies a division between the physical and online store, in the omnichannel [world] customers move freely between the online (PC), mobile devices, and physical store, all within a single transaction process...the journey should be smooth and ...provide a seamless, unified customer experience, regardless of the channels used..." (Pioytrowicz & Cuthbertson, 2014). To Vanheems (2009), omnichannel retailing refers to "...a strategy of assembling various channels into a single distribution system promoting interchangeability and the transfer of customers between channels..." The Aberdeen Group (2012), a U.S. IT consulting firm, considers omnichannel retailing "...as a set of integrated processes and decisions that support a unified view of a brand from the perspective of product purchase, return, and exchange, irrespective of the channel (in-store, online, mobile, call center, or social)..."

"...Omni-channel can be defined as a synchronized operating model in which all of the company's channels are aligned and present a single face to the customer, along with one consistent way of doing business. In this model, companies replace the many views of the customer they often hold today with one unified view of the customer—enabling them to respond

in a consistent way to the customer’s constantly evolving needs. In an omni-channel approach, the service provider’s brand effectively operates as a single channel, orchestrating high-value customer experiences across all touch points. The customer experience it delivers is seamless, consistent and personalized through the integration of agent-assisted channels with digital channels such as social media, so that customers can interact whenever, wherever and however they want with the provider, across all channels....” (Carroll & Guzman, n.d., p. 4).

Figure 1 graphically represents the key components of an omnichannel retailing IT platform.

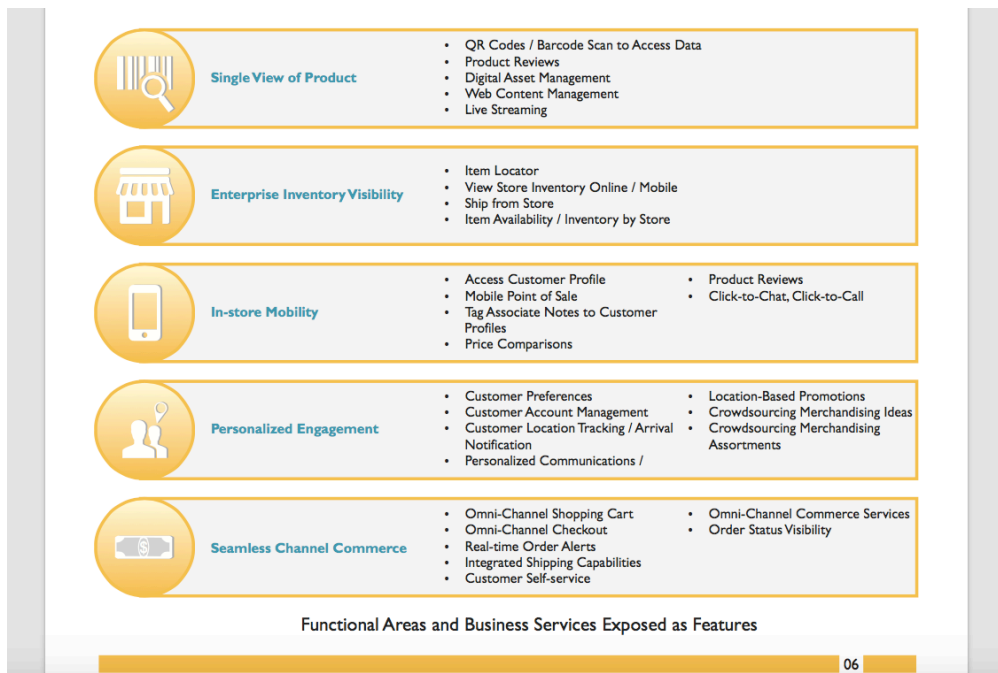


Figure 1: Functional Areas and Business Services on an Omnichannel Retailing IT Platform (Mittal, 2014)

Research Methodology

This study used the qualitative research method of content analysis, focusing on content in very recent literature from vendors’ websites, vendor IT demos, vendor executive interviews, and trade literature material.

Findings

The following is a detailed discussion and description of the different elements that need to come together to support an omnichannel retailing IT environment.

Order Management Systems

Before the days of omnichannel retailing, each selling channel had its own order management system sitting enabled by its own separate IT infrastructure support system (Sheldon & Silvermann, 2014). With the impending demands of omnichannel retailing, however, this arrangement quickly became a liability. There arose the need to reconfigure the backend support for all channels used by a retailer to ensure an integrated delivery service that encompassed order capture, point-of-sale (POS) systems, inventory

management, distribution and warehousing, outbound logistics and delivery, etc. Within this collection of functionalities, however, order management systems (OMS) bears the burden of coordinating all orders received from a product's different distribution channels and ensuring fulfillment of the order in the most efficient and expeditious way.

Within the context of the demands of omnichannel retailing, OMSs have gained increasing importance. They are no longer just fulfill basic operational requirements of order fulfillment and delivery, but are a crucial aspect of determining customer experience now that customers are capable of using multiple channels simultaneously in one purchase transaction. The OMS, in effect, will need to serve as the enterprisewide order capture hub for orders originating from physical storefronts, online store websites, affiliated social networking sites, mobile sites, contact centers, points of service, kiosks, and field sales force. As a result, any one sales associate could gain a complete view of a customer's profile and purchasing history.

Having the appropriate omnichannel retailing IT infrastructure in place can generate up to 30 percent additional income for ebusiness enterprises (Sheldon & Silverman, 2014).

Typically in the traditional environment, the warehouse management system oversaw the inventory in distribution centers, the point-of-sale (POS) system or retail merchandising system controlled inventory held in store shelves, and the enterprise resource planning (ERP) system regulated inventory involved in the supply chain. In an omnichannel world, the OMS needs to assume the role of central overseer of these systems under a federated overarching structure. Doing so, the OMS will be able to produce a consolidated view of all inventory at any point in time and decide if a product can be made available for sale and the time and manner in which it could be delivered if the order could be fulfilled.

This OMS should also enable distributed management of orders using an order orchestration engine that does the following: capture orders from all sales channels; configure order processing workflows; route orders using intelligent algorithms across all fulfillment centers; and allocate inventory using logic. Furthermore, the OMS should respond to scenarios involving recurring orders, pre-orders, back-orders, partial shipments, drop shipments, digital or service items, and order splitting.

The new breed OMS also enables sales associates of brick-and-mortar stores to fulfill online orders or orders from other sales channels to be fulfilled from store-held inventory. While it is possible to revise old POS systems so that they can enable fulfillment of orders from sales channels other than the physical store, it is too much trouble to do so. Using an OMS designed from the outset to perform this task is a much easier route to take. The OMS should have easy to learn and use end user interface, preferably accessible in a mobile device, that makes it almost mindless for sales associates on the floor, with minimal training, to manage the fulfillment of orders from the physical store. The new breed of OMSs has true visibility into the enterprise's inventory flows in all sales channels and the life cycle of an order after it is submitted and accepted by the system. This gives them true authority to define the disposition of requests for modifying existing orders, which, in itself, is a complex task to perform. In reality, an entire host of factors involving an array of constraints and dependencies determine whether or not an order could be changed or cancelled. This is because making changes could involve the following: re-allocate inventory, adjust prices, adjust promotional offers, recalculate applicable taxes, and process additional payments or refunds. Because of the way older pre-omnichannel retailing ecommerce solutions are designed and their limited scope, they typically do not have the functionalities that could address the processing required for modified or cancelled orders.

Logistics Considerations

An accompanying challenge for the omnichannel retailer is the logistics strategy it needs to design to ensure that ordered products are delivered to customers expeditiously and at low costs (Spencer & Schellenberg, 2015). According to Internet Retailer (2014), Amazon.com leads the Global 500 ecommerce firms in terms of sales volume. Amazon.com is a “model” retailer in many ways and in terms of logistics, having successfully orchestrated the setting up of a network of DCs and use of order-management algorithms that calculate the customer’s location, desired shipping speed, product availability, and inventory location (McCorvey, 2013). Amazon claims being able to ship products ordered by customers from the appropriate warehouse within about 2.5 hours from the time the customer hits the “purchase” button.

Retailers, hard pressed to approximate that kind of speed and efficiency, must rely on the alignment of the following elements: well-designed information technology (for OMS and payment processing), operations (order picking and packaging of ordered products), and physical site selection for warehouses and distribution centers (DCs). The OMS component has been previously discussed. The logistics information systems component should help find a destination zip code, appropriate delivery route using an algorithm, the shortest delivery time frame, and the cheapest shipping method (Spencer, & Schellenberg, 2015). On the physical side, the retailer will also need to decide from where shipments will be made. Shipments from a wide range of possible inventory locations are at its disposal: national fulfillment center (single location); regional fulfillment centers (multiple locations); local, metro, or small fulfillment locations (fresh products); brick-and-mortar stores; customer pick-up from physical stores or pick-up lockers; direct shipments from vendors to customers; and multiple shipments from vendors to customers (Spencer, & Schellenberg, 2015).

One of the distinctive features of omnichannel retailing is the use of the brick-and-mortar store as a local fulfillment center for other sales channels as well such as online ecommerce orders (Salerno, 2014). In order for this “get local” fulfillment strategy to work, however, a sound inventory control system should be in place that can: correctly and quickly review the delivery destination; select inventory from the closest physical store to the destination; initiate a picking activity from the store inventory to precede transport of the products to the shipping center for delivery according to the window of time specified by the customer (i.e., same day, next day, three days, a week, etc.). Such stores are using their receiving docks as the center for shipping out orders.

Retailers could also supplement their in-store fulfillment facilities with another local/regional ecommerce fulfillment center to ensure in-store stock availability and speedy replenishment during brisk sales periods involving walk-in customers in the physical store. Retailers are also using the ecommerce platforms of third parties like established marketplaces like Amazon.com, eBay.com, and Alibaba.com in order to extend their logistics capabilities. Through signed contracts, these retailers are not only exposing their products using the well-known brand name and global market reach of these widely recognized online marketplaces, but also capitalizing on the excellent logistics capabilities of these marketplaces, specifically Amazon.com.

Technical IT Infrastructure Considerations

This section deals with the more technical aspects of a retailer’s IT Infrastructure to support its omnichannel retailing initiative. IT infrastructure “... is everything that supports the flow and processing of information in an organization, including hardware, software, data, and network components....” (Pearlson & Saunders, 2013, p. 169).

First of all, it has been recommended that a retailer's omnichannel retailing applications should rest on a single platform (Boston Retail Partners, 2014). Having a single, centralized platform simplifies the task of integrating point-of-sale (POS), mobile, and online ecommerce site transactions. This means a single shopping cart can be created that follows the customers as they interact with these different sales channels. With a single platform, the retailer can also consolidate servers, operating systems, and business applications at its own data center, on the cloud, or a combination of both.

The technology platform suggested by WIPRO (Mittal, 2014) consists of the following layers. The first layer is the interaction channels layer, which consists of hardware and software support for the different sales channels used by the retailer. These are the physical store, online ecommerce website, kiosks, smart phones, other handheld devices like iPads, and point-of-sale (POS) registers.

The second layer is the channel integrator layer, which will sit between the end channels and the enterprise business services layer. This layer is responsible for making it easy for different sales channels, such as the mobile sales channel, for instance, to add any kind of device --- iPhones, BlackBerrys, tablets, etc. --- to the range of choices that can be presented to customers for reaching the retailer. The channel integrator layer also assures the security of enterprise business services and allow access to them only to authorized customers.

The third layer is the enterprise business services layer which provides all sales channels with business services they need in order to function. Examples of these enterprise business services are: recommending a product to the customer; creating gift registries; authorizing coupons; calculating sales taxes; redeeming loyalty coupons; looking up inventory availability for a product, etc. This layer ensures that the different sale channels are serviced by backend systems applications that will provide these business services.

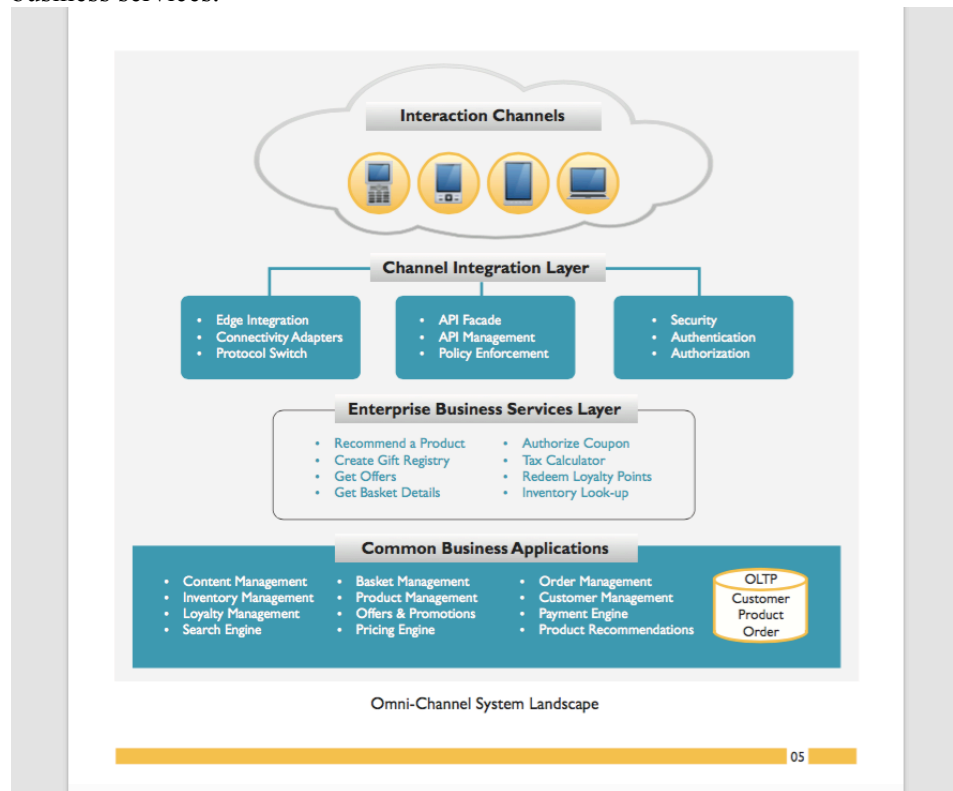


Figure 2. Different Layers on an Omnichannel System Landscape (Source: Mittal, 2014)

The fourth layer is common business applications layer. This layer addresses the need to coordinate and harmonize critical backend transaction processing systems that support the retailer such as: inventory management system, order management systems, enterprise resource planning systems, and others. This layer also provides a common online transaction processing system (OLTP) to enable customers to change sales channel and continue their transactions from where they left off in any one channel. The end result is that all sales channels will really be working as one mega channel --- a single cohesive point of contact for the customer.

Supporting IT Infrastructure Elements

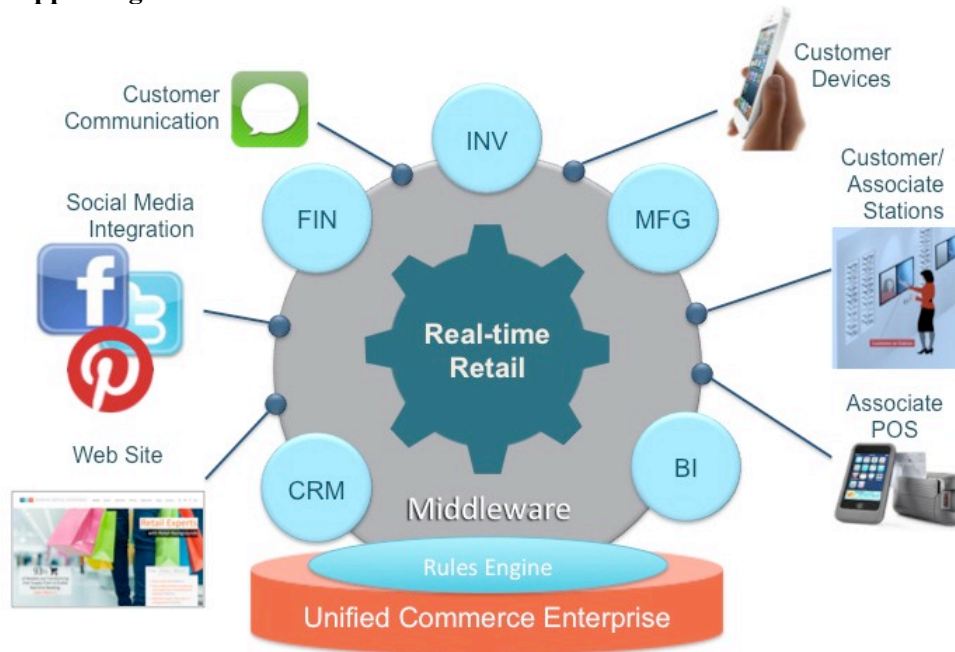


Figure 3. Unified Commerce Enterprise Middleware
(Source: Boston Retail Partners, 2014)

Middleware/Services Oriented Architecture

In the real world, a retailer with legacy systems supporting different sales channels could have varying retail systems in place already. To handle a situation like this, middleware or a service oriented architecture (SOA) layer could be used. Middleware refers to "... different types of software that sit between and provide connectivity for two or more software applications. Middleware translates information between disparate systems..." (Baltzan, 2014, p. 301). Services-oriented architecture or SOA defined as "An application architecture in which all functions are defined using a description language and have invocable interfaces that perform business processes" (Webopedia, n.d.). Both middleware and SOA allow varying and disparate retail systems to act as one (Mittal, 2014). So, for instance, should customer transactions require data from a different retail systems, then, the middleware will make sure that data is fetched, analyzed, and returned in real-time to the transactions involved. Also, the use of middleware and SOE makes available what are called "Web Services" that respond to the needs of certain common and repetitive customer transactions or events. So, for instance, the retailer's developers can create a common set of web services needed in processing an order. For example, doing a customer contact search by customer ID, customer name, address, phone number, or loyalty ID can be developed as a web service and reused over and over again when the need arises. Another type of relevant web service

is calculating sales taxes by state in the U.S.

Master Data Management (MDM)

The IT infrastructure for omnichannel retailing should also have a master data management functionality that ensures that data captured, shared, distributed, and used across sales channels is consistent, accurate, complete, and timely (Mittal, 2014). The MDM functionality covers the needed business rules and data governance policies that are needed to harmonize and merge data from various retail systems. Furthermore, the MDM provides a central repository for all master files used by the system. This facilitates the design and deployment of a standardized global data schema that can be used in the centralized single platform. Having the MDM ensures speedy generation of reliable data analyses results embodied in reports and query responses.

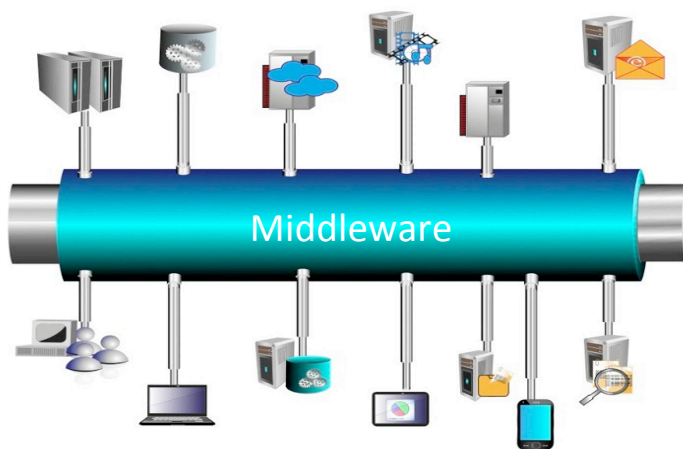


Figure 4. Middleware Connectivities
(Source: Boston Retail Partners, 2014)

Business Process Management (BPM)

A “business process” is a set of tasks or activities with a specific end goal in mind. A firm has hundreds of business processes that are being executed manually, automated, or a combination of both. Different software products used by a retailer each embody a set of business processes or the way work has to be performed for a specific goal. BPM tools, on the other hand, give business users and the IT team the ability to define, execute, monitor, and optimize business processes involving both information system and human interactions within and outside the firm. In the retailing business, this is important as the retailer needs to interface with customers, suppliers, and other trading partners. In the case of omnichannel retailing, there are multiple retail systems and sales channels involved. BPM tools allow the retailer to monitor certain activities in stores. So, for instance, store managers can monitor retail store performance using specific key performance indicators and take action when the numbers dip below acceptable levels. Visibility into business processes enables the retailer to make quick and appropriate changes. BPM tools also allow the retailer to make operational management decisions using repeatable business rules and events (Mittal, 2014). For example, business rules could be designed about when discounts could be applied to a customer purchase or when coupons could be issued to a pre-specified group of highly valued customers. The increasing demands of customers in the omnichannel retailing world makes BPM tools necessary to allow the business end users and IT team to create new business

processes to respond to these demands. So, for instance, the teams can develop retail business processes that can easily be deployed on mobile devices.

Omnichannel Retailing on the Cloud: IBM Commerce on the Cloud

Capabilities for omnichannel retailing can be acquired rather quickly using cloud computing services and software as a service, in particular. Cloud computing is defined as “a computing model enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction” (Valacich & Schneider, 2016, p. 463). The particular service a retailer would use is “software as a service” defined as “A cloud computing model in which a service provider offers applications via a cloud infrastructure” (Valacich & Schneider, 2016, p. 475).

IBM offers an integrated cross-channel commerce platform called “Commerce on the Cloud” service, which will be described herewith (IBM, 2014). IBM offers a wide range of services for retailers who would like to speedily embark on omnichannel retailing --- from designing an ecommerce strategy through to designing the online website itself, deployment, support for ongoing business operations, maintenance, and security via “IBM Commerce on Cloud.” IBM offers prebuilt online store templates that can be used for business-to-business or business-to-consumer online websites, out-of-the-box integration tools for linking with other third-party systems, and business user tools for site management. IBM also assists clients to move back and forth between on-premise or cloud deployment or a combination of both (i.e., “hybrid” cloud) as business conditions change.

Retailer Experience:

The online websites that can be designed from prebuilt templates in the IBM Commerce on the Cloud solution, support the following features:

- Advanced search engine optimization
- Catalog browsing
- Product comparisons
- Product information pop-ups
- Multi-angle product images
- Shopping cart
- Inventory status
- Order history and status
- Store locator
- Coupon wallet and wish lists

Prebuilt templates can be used for online storefronts meant to be viewed from desktop personal computers, laptops, or tablets. A mobile storefront with the same features can also be created, which customers can view from their smartphones. Customers can quickly place orders through an expedited mobile checkout process. Customers also have to option to order via their smartphones and pick up the items from the store nearest them using a store locator feature.

All the retailer has to do is load product catalog data onto the chosen template and customize certain areas of the user interface to reflect the firm's unique logo, brand message, marketing pitches, and content such as the firm's history in the "About Us" page. All this can be done without the involvement of the firm's IT department.

IBM's Workspace Management tool enables the retailer end users to schedule and publish online website content changes, track the changes, perform quality control, and preview daily changes prior to publishing them. In cases of emergency, urgent changes can be processed immediately.

The online website catalog tool enables retailer end users to manage master catalogs and sales catalogs and create linkages between products to enable cross-sell and up-sell suggestions to customers. Site search capabilities are also provided and optimized using product attributes customers can specify to quickly find products.

The IBM product also allows retailers to have inventory visibility and sourcing capability across sales channels. With the IBM software, retailers will be able to use rules-based order promising and scheduling so that inventory can be allocated based on distribution nodes and regions to meet order specifications in the best possible way. Retailers can have a real-time view of supply and available-to-promise inventory; thus, customers are less likely to be disappointed by "out-of-stock" or "back order" messages and will more likely complete the purchase with their shopping carts rather than abandon them.

The cloud software also manages retailer digital assets such as all website content used --- text, product images, marketing ads, audio files, video files, and anything else used for marketing and promotions. IBM has integrated a third party web acceleration solution to maintain high levels of online website store performance, scalability, and availability for retailers.

Customer Experience

In terms of customer experience, the online webstore is set up so that customers perform advanced faceted searches, make product comparisons, and populate shopping carts. Customers from all over the world can be serviced in terms of payment options as IBM uses a secure payments gateway that not only recognizes various global monetary denominations but also prevents data theft and is compliant with the Payment Card Industry (PCI) standards. Retailers have the option to use the Avalara AvaTax service to ensure that taxes are accurately calculates and recorded in the payment process. This way retailers can ensure they are compliant with the laws and reduce the risk of penalty **from tax audits**.

Retailer Experience: Sales and Marketing Promotions and Data Mining (Web Analytics)

Post order customer care is very important for customer retention. The solution on the cloud enables retailers' call center employees to use online self-service tools to serve customers more effectively. Customer service representatives will be able to send order confirmations and shipment email notifications, and investigate payment, settlement, and back-order issues that require following up with customers.

The cloud solution also has many features to facilitate a host of marketing activities by retailers such as creating a wide range of marketing promotions --- order promotions, shipping promotions, catalog and product category promotions, and multiple item promotions. The precision marketing engine can be configured to generate alerts to retailers when shopping carts are abandoned, orders are placed, social media activities are initiated by customers, or when search terms or a referring URL is typed in a browser. The data generated by the engine can help retailers offer customers with targeted offers such as custom landing pages or product cross-sells or up-sells.

Retailers can also avail of the services of Bazaarvoice software, which works with the IBM cloud solution. Bazaarvoice will enable customers to express their opinions about the products via online social communities. The retailers, in turn, “data mine” this user-generated content to derive actionable insights that can propel their product design improvement, customer service, and marketing initiatives. Another third party service available to retailers is an email marketing solution that generates targeted email messages to customers.

Finally, the software solution has web analytics features via the IBM Coremetrics module meant to capture customer online behaviors and provide retailers with insights based on collected customer data. This web analytics software module generates reports on site metrics and site performance that should guide personalized and on-target product recommendations to customers.

Conclusion

Retailers seriously looking at omnichannel retailing possibilities are faced with a number of challenges in the road ahead. Perhaps the most formidable challenge at this time is information systems disparity among a retailer’s many sales channels. An RSR Research report also reveals other barriers for retailers: (1) 59 percent of study respondents cited “coordinating with other channels to create a seamless brand experience; (2) optimizing inventory deployment across channels --- 52 percent; (3) understanding and accommodating how different consumer segments engage with us --- 49 percent; (4) cost effective shipping and fulfillment --- 44 percent; (5) coordinating price and promotions with other departments --- 33 percent; (6) have not yet defined what a differentiated online experiences looks/feels like ---18 percent; (7) processing and/or accounting for returns --- 17 percent; and (8) sharing accurate product data with our channel partners --- 15 percent (NetSuite, 2014). The availability for cloud computing and in particular, software as a service will help these retailers overcome the top IT technological challenge of systems disparity as illustrated by the IBM Commerce on the Cloud solution.

Though surprising, the emergence of physical brick-and-mortar stores as a classic favorite sales channel is prompting significant initiatives among leading-edge retailers. For instance, fast-fashion retailers like H&M and Uniqlo are widening the geographic scope of their outlets and firms like Macy’s, Bloomingdales, Marks & Spencer, and The Gap are staging new services like order fulfillment off their physical stores and adding IT-powered features in the store to support compelling customer experiences in trying products and interacting with sales associates (Brown, Mendoza, & Moriarty, 2014). This is an appropriate response to today’s customers who will only intensify their demand for customized fulfillment of their preferences from the early stage of product exploration to the final stage of order processing.

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LES FACTEURS DE SUCCÈS CHEZ LES PME CANADIENNES: COMPARAISON HOMMES – FEMMES

Cette étude tente de mieux comprendre la problématique entourant la performance économique des petites entreprises par l'étude des facteurs de succès. À cet effet, les facteurs de succès des répondants de l'échantillon ont été identifiés afin d'en ressortir les plus importants et de voir s'il y avait des différences selon le genre. Une analyse factorielle fut aussi effectuée afin de regrouper les variables individuelles dans des groupes plus limités. Les résultats des analyses révèlent plus de similarités que de différences dans les facteurs de succès privilégiés par les répondants de l'étude en comparaison avec les études répertoriées sur le sujet. Le même constat peut être observé dans les résultats entre les hommes et les femmes.

Introduction

Les petites et moyennes entreprises (PME) jouent un rôle important dans l'économie canadienne. À titre d'exemple, au début 2013, le Canada comptait 1 107 540 entreprises, dont 1 087 803 petites entreprises (1 à 49 employés) représentant 98.2 % des entreprises au Canada. Les petites entreprises jouent un rôle important dans la création d'emplois au Canada, ayant créé 77,7 % de tous les emplois dans le secteur privé entre 2002 et 2012. Au total, les petites entreprises ont créé en moyenne un peu plus de 100 000 emplois par année durant cette période. En 2011, on estimait que les petites entreprises étaient à l'origine d'environ 27 % du PIB du Canada (Industrie Canada, 2013).

Par ailleurs, une forte proportion d'entreprises cesse leurs activités chaque année. Parmi les PME créées en 2008, 80 % ont survécu une année complète et seulement 72 % des PME créées en 2007 ont survécu deux ans. Cette diminution du taux de survie s'explique en grande partie par la baisse du taux de survie des microentreprises (1 à 4 employés), qui est passé à 68 %, tandis que le taux de survie des autres

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petites entreprises est demeuré stable à 86 %. (Industrie Canada, 2013) Considérant que le taux de mortalité des jeunes entreprises est très élevé et que les survivantes ont souvent des performances marginales, il s'avère important de comprendre les facteurs qui limitent leur succès ou y font obstacle.

L'étude des facteurs de succès permettra d'apporter des éléments additionnels afin de mieux comprendre la problématique entourant la performance économique des petites entreprises. Plus précisément, les objectifs de cette recherche sont de 1) déterminer auprès d'entrepreneurs les facteurs qui ont contribué au succès de leur entreprise, 2) de voir s'il existe des différences entre les hommes et les femmes et 3) de regrouper les variables individuelles dans des composantes plus limitées. Pour y arriver, nous aurons recours à un échantillon de 115 femmes et 252 hommes entrepreneurs canadiens. À date, très peu d'études ont été menées sur des comparaisons hommes-femmes. Pourtant, Industrie Canada (2013) rapporte que 33.8 % des petites entreprises canadiennes appartiennent exclusivement ou à parts égales à des femmes et que l'activité économique des PME canadiennes appartenant majoritairement à des femmes se chiffre à plus de 117 milliards de dollars par année (La Presse, 2015) d'où l'importance de considérer les femmes entrepreneures dans les études portant sur l'entrepreneurship.

Une meilleure compréhension de cette problématique permettrait, dans un premier temps, de livrer des informations clés aux entrepreneurs eux-mêmes (les erreurs à éviter, les précautions à prendre) ainsi qu'aux instances gouvernementales afin des aider à développer des programmes mieux adaptés aux besoins des entrepreneurs. De plus, de telles initiatives minimiseraient le niveau d'incertitude face au phénomène de création et de développement d'une d'entreprise, faisant en sorte que plus d'individus seraient intéressés par une carrière dans les affaires.

C'est dans ce sens que ce travail tentera, dans un premier temps, d'examiner la littérature sous-jacente à la problématique de cette recherche et, dans un deuxième temps, de préciser la méthodologie de recherche et de présenter les résultats de l'étude. Le tout sera suivi d'une discussion sur les résultats et d'une conclusion.

Revue de la littérature

Des modèles théoriques ont été développés afin d'identifier les variables les plus susceptibles d'expliquer le succès ou la réussite des entreprises. A titre d'exemples, mentionnons les modèles de Morris et al. (2006), Blawatt (1995), Naffziger *et al.* (1994), Box *et al.* (1993), Herron et Robinson (1993), Keats et Bracker (1988) et Cragg et King (1988). Une constatation qui ressort de l'étude de ces modèles théoriques est l'importance accordée aux variables caractéristiques personnelles, environnement personnel ou immédiat et environnement externe dans l'étude de la performance entrepreneuriale.

Les caractéristiques personnelles d'un individu comprennent principalement les caractéristiques démographiques, sociologiques, psychologiques des entrepreneurs (y compris les motivations) et les compétences. Les variables dites démographiques peuvent se résumer à l'âge, au niveau de scolarité, à l'expérience, aux antécédents familiaux, à l'état civil, au rang familial et au sexe. Bien que les variables démographiques exercent une influence certaine sur la décision d'un individu de démarrer sa propre entreprise (Naffziger *et al.*, 1994), les chercheurs en entrepreneurship s'entendent sur le fait que ces variables ne permettent pas d'expliquer à elles seules le phénomène entrepreneurial (Greenberger et Sexton, 1988). Les études de Brush et Hisrich (1991) et de Moore et Buttner (1997) sont des exemples de recherche qui tombent dans cette catégorie. Ils ont en effet trouvé un lien entre l'expérience dans le domaine et la performance de l'entreprise.

Les caractéristiques psychologiques sont les traits de personnalité (attitudes et valeurs) généralement associés au fait d'être entrepreneur. Ces traits qui s'acquièrent par le vécu (par exemple,

l'éducation, l'expérience, les antécédents familiaux, etc.) déterminent les intentions de comportement des individus. Contrairement aux caractéristiques démographiques qui ne nécessitent aucune mesure, les caractéristiques psychologiques doivent être mesurées à l'aide d'un instrument de mesure validé. Les spécialistes s'entendent sur la pertinence de certains traits de personnalité dans le phénomène entrepreneurial. Parmi ceux les plus souvent cités on relève les regroupements suivants: créativité et innovation, besoin d'indépendance et d'autonomie, besoin d'accomplissement, tendance à la prise de risques modérés et contrôle du destin (Cachon 1992). Par exemple, dans l'étude de McGraw et Robichaud (1995) la variable contrôle du destin fut reliée à une plus grande utilisation des pratiques de gestion par les entrepreneurs. Cependant, l'ensemble des recherches sur les déterminants psychologiques n'ont pas permis, à ce jour, d'établir de liens entre les traits de personnalité et la réussite en affaires, ni d'identifier les traits qui permettent de différencier les entrepreneurs des non entrepreneurs (Blawatt, 1995).

La variable compétence se distingue des variables démographiques et psychologiques du fait qu'elle peut être plus facilement modifiée. C'est une variable très dynamique par sa nature qui a surtout suscité l'attention des chercheurs en entrepreneurship au début des années 1990 lorsque des spécialistes, tel Gartner (1989), ont recommandé d'abandonner la recherche sur les déterminants psychologiques. McCormick et Tiffin (1974) définissent la compétence comme un construit psychologique qui, contrairement au comportement, est inférée et qui explique l'efficacité des comportements. La compétence représente ce que la personne est capable de faire et indique sa capacité d'apprendre et d'exécuter des tâches. Selon Pettersen et Jacob (1992), la compétence est constituée des aptitudes (qui servent à apprendre de nouvelles habiletés); des habiletés (capacités apprises par formation ou par expérience pour exécuter des tâches ou des fonctions professionnelles à un emploi donné); et des connaissances (habiletés particulières fondées sur la possession d'informations). Parmi les recherches ayant porté sur les compétences mentionnons celles de Penrose (1959) sur la capacité managériale, Gibb et Davies (1990) sur la capacité d'entretenir un réseau et Gibb et Scott (1985) sur les habiletés techniques.

Quant à l'environnement immédiat de l'entrepreneur, il correspond au contexte dans lequel il évolue (par exemple, ses responsabilités familiales, l'influence du conjoint, ou l'emplacement de l'entreprise) tandis que l'environnement externe aborde les aspects compétitivité, structure de l'industrie, technologique, réseaux d'affaires et financement (Cooper, 1993). À ce sujet, les recherches confirment l'importance de la participation et du soutien moral du conjoint ou de la famille (Ferguson et Durup, 1997) et de la participation des entrepreneurs aux réseaux d'affaires au succès d'une entreprise (Watson, 2012).

Dans notre étude, contrairement aux caractéristiques psychologiques qui s'acquièrent par le vécu et qui doivent être mesurées à l'aide d'un instrument de mesure validé, nous ferons appel à des variables de succès plus susceptibles d'être modifiées notamment les compétences de l'entrepreneur et le contexte dans lequel les comportements surviennent (environnements immédiat et externe). Par exemple, les compétences de l'entrepreneur peuvent changer suite à l'acquisition de nouvelles habiletés ou connaissances tandis que les facteurs contextuels comme le support gouvernemental ou l'accès au financement peuvent aussi être altérés par des intervenants tels que les gouvernements ou les institutions financières.

Les études répertoriées sur les facteurs de succès se divisent essentiellement en deux groupes de chercheurs soit un premier groupe qui s'est intéressé aux facteurs de succès en utilisant des échantillons mixtes d'entrepreneurs et un second groupe qui a étudié plus spécifiquement les facteurs de succès des femmes entrepreneures. Parmi les recherches menées par le premier groupe de chercheurs mentionnons les études de Benzing *et al.*, (2009, 2005, 2005), Chu *et al.*, (2008, 2011) et Zimmerman et Chu, (2013). Il est à noter que toutes ces études ont utilisé un instrument de mesure des facteurs de succès développé par Hung M. Chu (Chu et Katsioloudes, 2001).

Dans l'étude de Benzing *et al.*, (2009) réalisée en Turquie les facteurs de succès suivants se sont révélés être les plus importants : « honnêteté », « charisme ou être amical avec les clients », « bonnes habiletés générales en management » et « bon service à la clientèle ». C'est l'énoncé « support gouvernemental satisfaisant » qui a été sélectionné au dernier rang par les répondants. Les études menées au Vietnam (Benzing *et al.*, 2005) et en Roumanie (Benzing *et al.*, 2005) ont aussi rapporté les l'énoncé « charisme comme étant le facteur de succès le plus important suivi au deuxième rang par l'énoncé "bon service à la clientèle" dans le cas de la Roumanie et de "bon produit à un prix compétitif" pour le Vietnam. Dans l'étude de Chu *et al.*, (2008), les répondants du Nigéria ont choisi les énoncés "travailler de longues heures" au premier rang, suivi de l'énoncé "bonnes habiletés générales en management" et des énoncés "bon service à la clientèle" et "charisme" comme troisième et quatrième choix respectivement. Le choix "impliqué politiquement" a été le choix le moins populaire auprès des répondants. L'étude menée en Chine par Chu *et al.*, (2011) révèle les mêmes facteurs à l'exception du premier choix qui est l'honnêteté. Enfin, les facteurs "bonnes habiletés générales en management", "formation appropriée", "maintiennent des registres comptables à jour" et "impliqué politiquement" constitue les quatre premiers choix des répondants du Vénézuéla. (Zimmerman et Chu, 2013) Le tableau 1 résume les résultats obtenus de ces différentes études.

Tableau 1 : Études sur les facteurs de succès

Variabes	Benzing <i>et al.</i>, (2009) Turquie	Benzing <i>et al.</i>, (2005) Vietnam	Benzing <i>et al.</i>, (2005) Roumanie	Chu <i>et al.</i>, (2008) Nigéria	Chu <i>et al.</i>, (2011) Chine	Zimmerman <i>et al.</i> (2013) Argentine
Bonnes habiletés en management	3			2	3	1
Charisme; amical avec les clients	2	1	1	4	4	
Formation appropriée						2
Bon produit/service à un prix compétitif		2				
Bon service à la clientèle	4		3	3	2	
Travailler des longues heures				1		
Maintien des registres comptables à jour						3
Impliqué politiquement						4
Réputé pour son honnêteté	1		2		1	

Quant au groupe de chercheurs ayant étudié les facteurs de succès des femmes entrepreneures nous présenterons les résultats des recherches suivantes : Robichaud *et al.*, (2010), Maysami et Gobi, (1999) et Zhu et Chu, (2010). Les facteurs de succès considérés comme étant les plus importants dans l'étude de Robichaud *et al.* (2010) mené sur un échantillon de 54 femmes canadiennes ont été « honnêteté », « bon service à la clientèle », « travailler de longues heures » et « charisme ». Un résultat semblable a aussi été obtenu dans l'étude de Zhu et Chu (2010) réalisée sur 180 femmes chinoises où les énoncés « honnêteté », « travailler de longues heures » « bonnes habiletés générales en management » et « charisme » ont été les quatre premiers choix des répondantes. Lorsque comparé à l'étude de Robichaud *et al.*, (2010), seul l'énoncé « bon service à la clientèle » ne s'est pas classé dans les premiers choix étant préférés au lieu par l'énoncé « bonnes habiletés générales en management ». Quant à l'étude de Maysami et Gobi (1999) menée sur un échantillon de femmes au Singapore, les facteurs de succès cités comme étant les plus importants ont été « qualité du produit ou du service », « les caractéristiques personnelles », « qualité du personnel » et « la connaissance du produit et du service ».

À la lumière de ces résultats, les facteurs de succès qui semblent le plus se démarquer sont le « charisme », « honnêteté », « bonnes habiletés générales en management » et « bon service à la clientèle ». En effet, ces facteurs de succès s'avèrent être les choix les plus populaires chez les deux sexes et dans l'ensemble des pays où l'instrument de mesure a été utilisé. Il sera intéressant de voir si des résultats similaires se dégageront de notre étude.

Méthodologie

Définition d'une PME

Les recherches démontrent qu'il n'y a pas de définition universelle d'une petite et moyenne entreprise (PME). Dans notre étude, nous avons retenu la définition de PME de l'Organisation de Coopération et de Développement Économiques (OCDE) qui définit une PME comme une entreprise de moins de 250 employés.

Échantillonnage, procédure d'expérimentation et mesure des variables

Le cadre d'échantillonnage correspond à 6 000 entreprises soit 3 000 entreprises de l'Ontario et 3 000 entreprises des provinces de l'Atlantique. Ces données proviennent d'une banque de données obtenue d'InfoCanada. Une fois la population définie, la collecte des données s'est faite de deux façons : dans le cas de l'Ontario, les données ont été colligées au moyen d'entrevues téléphoniques tandis que pour les provinces de l'Atlantique, les entrepreneurs contactés étaient invités à remplir le questionnaire en ligne au moyen du logiciel « SurveyMonkey » ou par la poste, et dans ce cas, une copie papier leur était envoyée. Dans les deux cas, des appels téléphoniques ont été effectués au préalable afin d'obtenir la participation des entrepreneurs. Cette procédure d'expérimentation a permis de contacter 2 544 entreprises en Ontario pour un taux de réponse de 8.7 % (221/2 544) et 1 002 entreprises dans les provinces de l'Atlantique : taux de réponse de 15.4 % (154/1002). Les raisons suivantes expliquent pourquoi certaines entreprises n'ont pu être contactées : 1) le numéro de téléphone n'existait plus ou 2) le propriétaire n'était jamais présent ou disponible au moment des appels. Le nombre total de répondants pour le Canada se chiffre à 367 soit 115 femmes et 252 hommes.

La collecte des informations s'est faite au moyen d'un questionnaire développé par Hung M. Chu (Chu et Katsioloudes, 2001). Ce questionnaire a été utilisé dans de nombreuses études à travers le monde notamment en Roumanie, au Vietnam, en Inde et dans plusieurs pays d'Afrique. L'instrument de mesure

des facteurs de succès met en évidence 17 énoncés. Des échelles de type Likert furent utilisées pour mesurer ces variables. L'échelle Likert allait de 1 = aucune importance à 5 = une très grande importance.

Traitement et analyse des données

Le traitement statistique des données a été fait à l'aide de SPSS. Plus spécifiquement, les analyses et les tests statistiques suivants ont été utilisés : test non paramétrique (test de Mann-Whitney); test de la différence des moyennes (tests t); l'analyse des composantes principales communément appelée analyse factorielle; sans oublier l'analyse statistique univariée (statistiques descriptives tels la moyenne et l'écart-type).

Résultats

Profil des répondants

Le tableau 2 présente le profil des entrepreneurs et de leur entreprise selon le genre. Les résultats statistiquement significatifs obtenus sur le profil des entrepreneurs révèlent que les hommes sont plus âgés que les femmes (57 % sont âgés de plus de 50 ans comparativement à 37 % pour les femmes) et ont plus d'expérience dans le domaine (50 % des hommes ont plus de 11 ans d'expérience contre 35 % pour les femmes). Parmi les résultats non significatifs à l'avantage des hommes, on remarque que ces derniers travaillent plus d'heures par semaine que les femmes (46 % des hommes travaillent 56 heures et plus par semaine contre 36 % dans le cas des femmes) et qu'ils sont mariés ou vivent avec un conjoint dans une proportion plus élevée (89 % versus 84 % dans le cas des femmes).

Aucune différence n'a été observée entre les deux sexes dans les variables personnelles suivantes : débuté leur entreprise par nécessité, déjà appartenu une entreprise, enfants à charge, niveau de scolarité, années d'expérience en gestion et le niveau de support du conjoint. Dans ce dernier cas, il est intéressant de noter que les conjoints supportent fortement leurs partenaires, et ce indépendamment du sexe de l'entrepreneur (89 % des conjointes dans le cas des hommes entrepreneurs et 86 % des conjoints dans le cas des femmes entrepreneures).

En ce qui a trait aux variables organisationnelles où une différence significative est observable, on remarque que les entreprises appartenant aux hommes se concentrent davantage dans le secteur fabrication (19 % d'entre eux œuvrent dans ce secteur contre 12 % pour les femmes entrepreneures), qu'elles sont plus âgées que celles des femmes (24 % des entreprises appartenant à des hommes existent depuis plus de 21 ans contre 17 % dans le cas des femmes), et qu'elles sont situées dans des localités de plus grande taille (48 % des entreprises appartenant à des hommes sont situées dans des localités de plus de 100 000 habitants en comparaison à 35 % des entreprises appartenant à des femmes). Finalement, le niveau d'endettement des entreprises appartenant à des hommes est moins important que celui des entreprises appartenant à des femmes (30 % des entreprises appartenant à des hommes ont un niveau d'endettement jugé très ou extrêmement élevé versus 44 % dans le cas des entreprises appartenant à des femmes).

Par ailleurs, les entreprises appartenant aux femmes sont plus petites en terme de chiffre d'affaires (31 % ont un chiffre d'affaires inférieur à 100 000 \$ comparativement à 19 % pour les hommes). En terminant, mentionnons qu'aucune différence significative n'a été observée pour ce qui est des variables organisationnelles suivantes : secteur du commerce de détail, secteur des services, mode de création de l'entreprise, nombre de partenaires et nombre d'employés.

**Tableau 2: Profil des hommes et des femmes
(Femmes: n=115, Hommes: n=252)**

Caractéristiques personnelles			Caractéristiques organisationnelles		
	Femme %	Homme %		Femme %	Homme %
Âge de l'entrepreneur***			Taille de la ville*		
Entre 20 et 29 ans	2	1	Moins de 25 000	39	30
Entre 30 et 49 ans	61	42	25 000 à 100 000	26	22
Entre 50 et +	37	57	Plus de 100 000	35	48
Niveau de scolarité			Chiffre d'affaires***		
Secondaire non complété	2	12	Moins de 100 000 \$	31	19
Secondaire	37	30	100 001\$ à 500 000\$	48	38
Collège ou universitaire	61	58	500 001\$ et plus	21	43
Marié ou vie avec conjoint	84	89	Nombre d'employés		
Enfants à charge	85	84	1 à 5 employés	80	75
Débuté l'entreprise par nécessité	19	18	6 à 10 employés	12	12
Déjà appartenu une entreprise	24	26	11 employés et plus	8	13
Années d'expérience dans le domaine**			Secteur d'activité		
Aucune expérience	26	17	Commerce de détail	32	31
1 à 5 ans	15	15	Service	56	50
6 à 10 ans	24	18	Fabrication	12	19
11 ans et +	35	50			
Années d'expérience en gestion			Création de l'entreprise		
Aucune expérience	42	36	Créé	63	73
1 à 5 ans	17	21	Acheté	28	20
6 à 10 ans	18	20	Hérité et franchise	9	7
11 ans et +	23	23			
Contribution du conjoint au revenu familial			Âge de l'entreprise***		
Aucun support	45	52	1 à 5 ans	28	11
1% - 25%	8	7	6 à 10 ans	30	29
26% - 60%	37	39	11 à 20 ans	25	36
61% - 100%	10	2	21 ans et +	17	24
Niveau de support du conjoint			Nombre de propriétaires /partenaires		
Très peu et peu élevé	7	6	1	74	69
Moyen	7	5	2	21	26
Élevé et très élevé	86	89	3 et plus	5	5
Nombre d'heures de travail par semaine			Niveau d'endettement**		
0 - 20 heures	4	4	Peu ou pas important	45	58
21 - 40 heures	27	22	Moyennement important	11	12
41 - 55 heures	33	28	Très ou extrêmement important	44	30
56 heures et plus	36	46			

*p<0.05; **p<0.01; ***p<0.001

Facteurs de succès

Le tableau 4 (colonne de droite) présentent les résultats d'une analyse sur l'importance accordée à l'ensemble des facteurs de succès. Ainsi, le facteur de succès jugé le plus important par les répondants est « offrir un bon service à la clientèle » avec une moyenne de 4.76, suivi au deuxième rang du facteur « travailler de longues heures » et au troisième rang, du facteur « charisme ou être amical avec les clients » avec des moyennes respectives de 4.72 et 4.65. C'est le facteur « honnêteté » qui prend la quatrième position avec une moyenne de 4.60. Les résultats du tableau 3 supportent l'ordre d'importance obtenu chez les facteurs de succès. En effet, 96 % des répondants considèrent un bon service à la clientèle comme ayant « une très grande importance » ou « une grande importance » tandis que 95 % des répondants disent la même chose au sujet du facteur « travailler de longues heures ». Les troisième et quatrième facteurs « charisme » et « honnêteté » obtiennent également des pourcentages élevés avec 94 % et 91 % respectivement.

À l'opposé, les deux choix qui reçoivent le moins de support sont dans l'ordre « impliqué politiquement » et « support gouvernemental satisfaisant » avec des moyennes 1.71 et 1.94 respectivement (tableau 4). Ce sont les deux seuls énoncés, parmi les 17 énoncés que compte l'instrument de mesure des facteurs de succès, qui obtiennent une moyenne inférieure à 2.00. Seulement 5 % des répondants, dans le cas de l'énoncé « impliqué politiquement », et 12 %, dans le cas de l'énoncé « support gouvernemental satisfaisant », les considèrent comme étant soit « très important » ou « extrêmement important » (tableau 3). C'est donc dire qu'en général, les entrepreneurs de notre échantillon ne se fient pas sur le support des gouvernements ou des instances politiques pour assurer la réussite de leur entreprise.

Par ailleurs, les deux premières colonnes du tableau 4 présentent les résultats d'une analyse comparative des énoncés selon le genre. Voici les éléments qui ressortent de cette analyse :

- Aucune différence n'est à signaler dans les quatre premiers choix des répondants c'est-à-dire que les hommes et les femmes ont choisi, dans le même ordre, les quatre facteurs suivants : offrir un bon service à la clientèle, travailler de longues heures, charisme et honnêteté. En outre, la moyenne obtenue sur chacun de ces facteurs est presque identique chez les deux sexes.
- Même constat au niveau des deux facteurs les moins importants dans la mesure où les facteurs de succès impliqué politiquement et support gouvernemental satisfaisant ont été choisis aux derniers rangs chez les deux sexes.
- Les seuls énoncés où des différences statistiquement significatives ont été trouvées entre les hommes et les femmes sont « implication communautaire et relations d'affaires » ($p < 0.05$), « maintien des registres comptables à jour » ($p < 0.01$) et « support gouvernemental satisfaisant » ($p < 0.001$). Dans chacun des trois cas, on observe des moyennes supérieures dans le cas des femmes entrepreneures de l'échantillon. C'est donc dire que les femmes entrepreneures accordant plus d'importance à ces trois facteurs que les hommes entrepreneurs de l'échantillon.

Tableau 3: Pourcentage des répondants sur l'importance des facteurs de succès

Variables	Une très grande importance (%)	Une grande importance (%)	Une certaine importance (%)	Peu Important (%)	Aucune importance (%)
Bonnes habiletés générales en management	52	36	11	1	0
Charisme; amical avec les clients	71	23	6	0	0

Support gouvernemental satisfaisant	5	7	14	26	48
Formation appropriée	28	21	28	8	15
Accès au financement	18	15	20	20	27
Expérience acquise en affaires	38	22	17	13	11
Support de la famille et des amis	39	24	22	9	6
Facteurs de marketing comme la promotion des ventes	15	15	37	19	14
Bon produit/service à un prix compétitif	52	30	14	3	1
Bon service à la clientèle	80	16	3	1	0
Travailler des longues heures	77	18	4	1	0
Emplacement	40	14	23	12	10
Maintien des registres comptables à jour	22	16	25	19	18
Habilité à gérer du personnel	34	25	20	10	11
Implication communautaire et relations d'affaires	19	19	33	14	16
Impliqué politiquement	3	2	14	24	57
Réputé pour son honnêteté	75	16	4	3	2

Tableau 4: Moyenne des facteurs de succès selon le genre et selon l'échantillon total

Variables	Homme N=252	Femme N=115	Échantillon total
Bonnes habiletés générales en management	4.38	4.44	4.39
Charisme; amical avec les clients	4.65	4.64	4.65
Support gouvernemental satisfaisant***	1.80	2.19	1.94
Formation appropriée	3.31	3.48	3.37
Accès au financement	2.72	2.85	2.76
Expérience acquise en affaires	3.66	3.61	3.63
Support de la famille et des amis	3.81	3.80	3.80
Facteurs de marketing comme la promotion des ventes	2.96	3.07	2.99
Bon produit/service à un prix compétitif	4.25	4.39	4.28
Bon service à la clientèle	4.75	4.78	4.76
Travailler des longues heures	4.74	4.70	4.72
Emplacement	3.58	3.74	3.61
Maintien des registres comptables à jour**	2.94	3.34	3.06
Habilité à gérer du personnel	3.52	3.74	3.59
Implication communautaire et relations d'affaires*	3.04	3.35	3.14
Impliqué politiquement	1.69	1.77	1.71
Réputé pour son honnêteté	4.60	4.62	4.60

*: p<0.05; **: p<0.01; ***: p<0.001

Analyse factorielle

Les informations collectées sur les facteurs de succès ont été soumises à une analyse des composantes principales (aussi appelée analyse factorielle) afin de connaître leur structure factorielle. Le critère pour la rétention des facteurs est celui de Kaiser (valeur propre $\geq 1,00$). Seuls les énoncés dont le poids factoriel et les communautés (aussi appelé qualité de représentation) entre les variables étaient égal ou supérieur à 0,50 ont été retenus. Suite à l'application de ces critères, les énoncés suivants n'ont pas été retenus : facteurs de marketing, expérience acquise en affaires, formation appropriée et travailler de longues heures.

Le tableau 5 présente le résultat de l'analyse factorielle pour les facteurs de succès (analyse factorielle en composantes principales et rotation orthogonale en mode varimax). Les résultats définitifs de l'analyse factorielle suggèrent trois regroupements : le facteur 1 correspond aux caractéristiques personnelles et du produit/service (5 énoncés), le facteur 2 est lié au soutien aux entreprises (4 énoncés), et le facteur 3 porte surtout sur l'environnement immédiat (4 énoncés). Bien que les trois échelles présentent des valeurs propres et des pourcentages de la variance expliquée assez similaire, c'est l'échelle caractéristiques personnelles et du produit/service qui s'est avérée la plus forte lors de l'analyse (% de la variance expliquée de 20.25 et une valeur propre de 2.63) suivie du facteur soutien aux entreprises (% de la variance expliquée de 19.55 et une valeur propre de 2.52) et du facteur environnement immédiat (% de la variance expliquée de 16.07 et une valeur propre de 2.09). Le pourcentage total de la variance expliquée est de 55.77 %.

La consistance interne des 3 échelles calculées par l'alpha de Cronbach varie de .69 à .76 ce qui indique une bonne consistance interne en tenant compte du nombre d'énoncés. À ce sujet, Nunnally et Beinstein (1994) mentionnent que pour un instrument composé de petites échelles de 3 à 4 énoncés un coefficient alpha de 0,70 et plus est jugé satisfaisant et indique que les échelles semblent mesurer le même construit.

Tableau 5: Facteurs de succès obtenus suite à l'analyse factorielle

	Facteur 1 caractéristiques personnelles et du produit/service	Facteur 2 soutien aux entreprises	Facteur 3 environnement immédiat	Communautés entre les variables
Bonnes habiletés générales en management	, 579			, 501
Charisme; amical avec les clients	, 715			, 542
Bon produit/service à un prix compétitif	, 705			, 567
Bon service à la clientèle	, 820			, 673
Réputé pour son honnêteté	, 698			, 508
Support gouvernemental satisfaisant		, 766		, 600
Accès au financement		, 722		, 554
Maintien des registres comptables à jour		, 731		, 592
Impliqué politiquement		, 722		, 534
Support de la famille et des amis			, 680	, 535
Emplacement			, 689	, 520
Habilité à gérer du personnel			, 661	, 587
Implication communautaire et relations d'affaires			, 641	, 566

Valeur propre	2.633	2.527	2.090	
Pourcentage de variance expliquée	20.25	19.44	16.07	
Consistance interne (alpha de Cronbach)	, 76	, 74	, 69	

Dans l'analyse des composantes principales, les valeurs propres obtenues pour chaque facteur indiquent l'importance de chacun des facteurs dans l'explication de la variance associée à ces variables et les pourcentages obtenus indiquent le pourcentage de la variance expliquée par chacun des facteurs. Il est important de bien comprendre que les résultats obtenus dans l'analyse factorielle ne permettent pas de déterminer les facteurs qui sont les plus importants aux yeux des répondants. Par exemple, bien que le facteur « soutien aux entreprises » arrive au deuxième rang dans le pourcentage de la variance expliquée dans l'analyse factorielle avec 19.44 % (tableau 5), le tableau 6 montre qu'il arrive au troisième rang dans l'importance attribuée aux facteurs par les répondants avec une moyenne cumulative de 2.36. C'est le facteur « caractéristiques personnelles et du produit/service » qui s'est avéré le facteur le plus important chez les répondants avec une moyenne cumulative de 4.54 suivi du facteur « environnement immédiat » avec une moyenne de 3.52.

Finalement, la comparaison des moyennes cumulatives des trois échelles de facteurs de succès selon le genre (tableau 6) révèle que les hommes et les femmes affichent des scores presque identiques relativement au facteur « caractéristiques personnelles et du produit/service » avec des moyennes de 4.52 pour les hommes et 4.58 pour les femmes. En revanche, les femmes de l'échantillon accordant une plus grande importance au facteur « soutien aux entreprises » que les hommes (moyenne de 2.52 pour les femmes en comparaison à 2.28 pour les hommes). Ce dernier résultat est statistiquement significatif à 0.05.

Tableau 6: Moyenne cumulative des facteurs de succès selon le genre

Facteurs	Moyenne Homme	Ecart-type	Moyenne Femme	Ecart-type	Moyenne échantillon
Caractéristiques personnelles et du produit/service	4.52	.53416	4.58	.46977	4.54
Soutien aux entreprises*	2.28	.89045	2.52	1.05946	2.36
Environnement immédiat	3.48	.97868	3.64	.86537	3.52

*: $p < 0.05$;

Note: Le calcul de la moyenne pour chacune des échelles a été obtenu en faisant la moyenne de l'ensemble des items ou des énoncés constituant chaque facteur. Par exemple, le score obtenu pour l'échelle « soutien aux entreprises » correspond à la moyenne des réponses obtenues sur les quatre énoncés composant ce facteur (voir tableau 4).

Discussion et conclusion

Cette étude tentait de mieux comprendre la problématique entourant la performance économique des petites entreprises par l'étude des facteurs de succès. À cet effet, les facteurs de succès des répondants de l'échantillon ont été identifiés afin d'en ressortir les plus importants et de voir s'il y avait des différences selon le genre. Une analyse factorielle fut aussi effectuée afin de regrouper les variables individuelles dans des groupes plus limités.

Les résultats des analyses révèlent plus de similarités que de différences dans les facteurs de succès privilégiés par les répondants de l'étude en comparaison avec les études répertoriées sur le sujet. En effet, trois des quatre premiers choix identifiés dans notre étude sont « offrir un bon service à la clientèle », « charisme ou être amical avec les clients » et « honnêteté » ont été également les choix les plus populaires dans les études répertoriées sur le sujet (voir tableau 1). La seule différence à signaler est le choix « travailler de longues heures » qui a été choisi au deuxième rang dans notre étude alors qu'il a été sélectionné qu'à une seule reprise dans les autres recherches répertoriées soit dans l'étude de Chu et al. (2011) où il arrive au premier rang.

Le même constat peut être observé dans les résultats entre les hommes et les femmes de l'échantillon dans la mesure où les hommes et les femmes ont choisi, dans le même ordre les quatre facteurs de succès suivants : « offrir un bon service à la clientèle », « travailler de longues heures », « charisme » et « honnêteté ». Dans chacun des cas, la différence dans la moyenne obtenue entre les hommes et les femmes était moins que 0.04. Ces résultats appuient ceux répertoriés dans la revue de la littérature dans la mesure où les facteurs de succès les plus souvent mentionnés s'avèrent être les mêmes, peu importe le genre ou le pays.

Seulement trois différences statistiquement significatives ont été observées dans le choix des facteurs de succès selon le genre. Ces choix sont « implication communautaire et relations d'affaires » ($p < 0.05$), « maintien des registres comptables à jour » ($p < 0.01$) et « support gouvernemental satisfaisant » ($p < 0.001$). Dans chacun des cas, on observe des moyennes supérieures dans le cas des femmes entrepreneures de l'échantillon. Les paragraphes qui suivent tentent d'apporter des éléments de justification à ces résultats.

D'abord, l'importance de l'implication dans la communauté et des relations d'affaires par les femmes entrepreneures pourrait s'expliquer par les travaux de Brush (1992) qui suggèrent que les femmes entrepreneures perçoivent et approchent la conduite de leurs affaires différemment des hommes. Contrairement aux hommes entrepreneurs, les femmes d'affaires verraient leur entreprise comme un réseau de relations plutôt qu'une unité économique séparée comme c'est le cas chez les hommes entrepreneurs. Selon cette approche, la femme d'affaires serait le centre d'un réseau de relations comprenant la famille, la communauté et l'entreprise. Autrement dit, lorsqu'une femme acquiert ou démarre sa propre entreprise, elle ne crée ou n'acquiert pas une entité économique distincte, mais ne fait qu'intégrer à son existence un nouveau réseau de relations. Désormais l'entreprise fait partie intégrante de la vie quotidienne de la femme entrepreneure, au même niveau que le sont sa famille et la communauté dans laquelle elle réside. L'approche de Brush (1992) qui prend son fondement dans la psychologie et la sociologie suggère que les femmes entrepreneures, contrairement aux hommes, accordent une place particulière à la création de liens interpersonnels. Les hommes seraient, quant à eux, plutôt caractérisés par un plus grand besoin d'autonomie, de logique et de prise de décisions structurées. Les chercheurs en sociologie, dont Aldrich (1989), suggèrent que les raisons à la base de ces perspectives divergentes sont le résultat des structures sociales en vigueur dans la société, comme le lieu de travail, le mariage et la famille.

Parallèlement, les chercheurs s'entendent sur l'importance des relations d'affaires dans le succès d'une entreprise. L'importance des relations d'affaires ou des réseaux comme thème de recherche n'est plus à démontrer puisqu'il se retrouve dans bon nombre de publications qui s'accordent pour dire que c'est un élément clé de la performance entrepreneuriale. (Filion, 1990; Aldrich, Reece et Dubini, 1989; Staber, 1993; McGregor et Tweed, 2000; Lerner *et al.*, 1997, St-Cyr et Gagnon, 2004). Par exemple, les études de McGregor et Tweed (2000), St-Cyr et Gagnon (2004) et Watson (2012) ont établi un lien entre l'utilisation des réseaux et la performance. En particulier, le rapport GEM 2004 sur les femmes entrepreneures (Minniti *et al.*, 2004) suggère que les femmes qui connaissent d'autres entrepreneurs seraient plus susceptibles de démarrer une entreprise. Par ailleurs, d'autres chercheurs (Lavoie, 1988;

Collerette et Aubry, 1990; Cromie et Birley, 1992; Minniti *et al.*, 2004) ont trouvé que les femmes tendent à sous-utiliser les réseaux.

Plusieurs explications peuvent être avancées pour tenter d'expliquer l'importance accordée par les femmes entrepreneures à l'énoncé « maintien de registres comptables à jour » par rapport aux hommes. À titre d'exemple, la littérature mentionne que les femmes propriétaires d'entreprise ont moins d'expérience en affaires que les hommes (Fischer et al., 1993, Industrie Canada, 2015) tandis que Hisrich et Brush (1984) et Chaganti (1986) font ressortir que les femmes évalueraient fréquemment leurs habiletés financières en dessous de celles des hommes. En outre, Industrie Canada (2013) rapporte que les femmes propriétaires d'entreprise doivent, dans le cadre du processus de demande d'emprunt, présenter une documentation plus complète que leurs homologues masculins. Elles sont tenues plus souvent que leurs homologues masculins de fournir chaque type de document requis. En particulier, les femmes propriétaires d'entreprise sont nettement plus susceptibles que leurs homologues masculins de devoir produire des états financiers personnels, une évaluation des actifs à financer et leurs prévisions de trésorerie. Les éléments mentionnés dans ces recherches pourraient expliquer, en partie, pourquoi les femmes en affaires sont davantage portées à maintenir des registres comptables à jour.

Quant à la différence observée chez la variable « Support gouvernemental suffisant », elle pourrait peut-être s'expliquer par les nouvelles tendances des gouvernements provinciaux et fédéraux à mettre en place des programmes destinés uniquement aux femmes en affaires ou celles qui veulent démarrer une entreprise. En effet, de nombreux centres de formation pour les femmes entrepreneures ont vu le jour à travers le pays au cours des dernières années. La promotion de ces centres de service pour les femmes entrepreneurs a peut être créé un sentiment de dépendance à l'égard de ces services et une demande accrue pour ces services.

À titre d'exemple, en Atlantique, le gouvernement canadien, par l'entremise de l'Agence de promotion économique du Canada Atlantique (APECA), finance des bureaux ou des organismes pour les femmes en affaires. Le programme « Initiative Femmes en Affaires » est un exemple d'organisme créé pour venir en aide aux femmes entrepreneures. Parce que l'APECA reconnaît l'incidence qu'ont les femmes entrepreneures sur l'économie de la région de l'Atlantique, elle s'engage à fournir les outils et le soutien dont elles ont besoin pour réussir. C'est ainsi que des bureaux gouvernementaux ont vu le jour dans les quatre provinces de l'Atlantique : le « Newfoundland and Labrador Organisation of Women Entrepreneurs » à Terre-Neuve, le « Centre for Women in Business » en Nouvelle-Écosse, l'« Association des corporations au bénéfice du développement communautaire » au Nouveau-Brunswick », et le « Prince Edward Island Business Women's Association » à l'Île-du-Prince-Édouard. En passant en revue les sites internet de ces organismes, on peut observer des services de conseils personnalisés sur le démarrage ou la gestion d'entreprise, des renseignements sur les ressources pour les petites entreprises, la possibilité de formation et de réseautage, pour ne nommer que ceux-ci. Ces mêmes services sont disponibles dans la plupart des provinces canadiennes, tous supportés par le gouvernement fédéral ou les gouvernements provinciaux.

Par ailleurs, l'énoncé « support de la famille et des amis » qui a été choisi au 6^e rang par les deux sexes avec une moyenne de 3.80 démontre bien l'importance de la participation et du support moral de la famille et des amis dans le succès de leur entreprise. Les résultats obtenus sur la variable « niveau de support du conjoint » (tableau 2) appuient ce point de vue dans la mesure où les conjoints supportent leurs partenaires dans une proportion de 89 % dans le cas des hommes entrepreneurs et de 86 % dans le cas des femmes entrepreneures. De nombreuses recherches confirment aussi l'importance de la participation et du support moral du conjoint ou de la famille pour le succès de l'entreprise (Miller et al, 1999; Ferguson et Durup, 1997; Mallika, 1995; Falkenberg et Monachello, 1990).

L'analyse factorielle a permis d'identifier trois groupes de facteurs de succès : « caractéristiques personnelles et du produit/service », « soutien aux entreprises » et « environnement immédiat ». Ainsi, l'analyse factorielle a permis de réduire l'ensemble des 17 variables de succès en des dimensions plus générales permettant ainsi de dégager une image globale des facteurs au lieu d'une considération individuelle. Dans ce sens, les trois facteurs obtenus suite à l'analyse factorielle reflètent bien les variables identifiées par les modèles théoriques dans l'étude de la performance entrepreneuriale mentionnés dans la revue de la littérature soit les caractéristiques personnelles qui entrent dans le premier facteur obtenu soit « caractéristiques personnelles et du produit/service », l'environnement personnel ou immédiat qui correspond au troisième facteur « environnement immédiat » et finalement, l'environnement externe qui coïncide avec notre facteur « soutien aux entreprises » composé de l'accès au financement, impliqué politiquement, support gouvernemental satisfaisant. En outre, les facteurs obtenus dans notre étude sont comparables à ceux obtenus dans d'autres études sur le même sujet. À titre d'exemple, dans l'étude de Zhu et Chu (2010) l'analyse factorielle a aussi résulté en trois facteurs soit un premier facteur appelé « personal and business attributes » qui ressemble de près à notre facteur « caractéristiques personnelles et du produit/service », « support and knowledge » qui comprend les énoncés accès au financement et support gouvernemental satisfaisant de notre facteur « support aux entreprises » et « social involvement » qui comprend l'énoncé implication communautaire contenue dans le facteur « environnement immédiat ».

Finalement, la comparaison des moyennes cumulatives des trois échelles de facteurs de succès selon le genre permet de constater que les hommes et les femmes s'entendent sur l'importance de l'échelle « caractéristiques personnelles et du produit/service » dans le succès de leur entreprise. Ce résultat ne surprend pas considérant que cette échelle est constituée en bonne partie d'énoncés qui sont arrivés dans les choix les plus importants sous les deux sexes. Cependant, les femmes entrepreneures de l'échantillon accordent une plus grande importance au facteur « soutien aux entreprises » que les hommes tel que démontré par le résultat statistiquement significatif obtenu. Ce résultat peut s'expliquer de plusieurs façons. En plus des explications avancées précédemment pour tenter de justifier la préférence accordée par les femmes entrepreneures à l'égard de l'énoncé « maintien de registres comptables à jour », certains chercheurs soutiennent qu'il existe une discrimination dans l'attribution des prêts selon le genre de l'emprunteur (Marleau, 1995; Coleman, 2000; Riding et Swift, 1990). Selon ces auteurs, les femmes obtiendraient des prêts avec des conditions moins favorables que ceux des hommes notamment des taux d'intérêt plus élevés ainsi que des garanties plus importantes seraient exigées sur les prêts consentis aux femmes. Une étude récente (Industrie Canada, 2015) révèle qu'un nombre nettement plus important de femmes entrepreneures que d'hommes entrepreneurs ont vu leur demande de financement rejetée, car les femmes avaient en moyenne des garanties insuffisantes.

L'étude présente certaines limites en terme de validité externe. Par exemple, le fait que les petites entreprises sélectionnées ne sont pas nécessairement représentatives des entreprises en général ne nous permet pas de dégager des conclusions pouvant être généralisées à l'ensemble des petites entreprises. Aussi, notre recherche ne porte que sur les facteurs de succès et ne prend pas donc en compte les autres déterminants du développement ou de la croissance des petites entreprises. Dans le cadre d'une recherche future, il serait judicieux d'intégrer à notre modèle d'autres variables afin d'obtenir un modèle de recherche plus complet.

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SOCIAL ENTREPRENEURSHIP EDUCATION IN CANADA: PASSION AND PRACTICE

Social entrepreneurship education still is a fairly young area of interest within the field of entrepreneurship education, but is growing rapidly in terms of research and practice. Frameworks for analysis and development of respective curricular approaches and courses have recently been suggested to support the further development of the field. Applying those frameworks to the analysis of respective syllabi at various Canadian universities may result in a comparative discussion of practices and passionate development of well-designed and learner-centered courses. In this paper, we contextualize social entrepreneurship education by reviewing how the literature has addressed important terms, concepts, and issues. Next, we present and discuss relevant frameworks that have proven to be of benefit to the analysis of educational approaches. Finally, we use one of these frameworks to analyze social entrepreneurship syllabi at Canadian universities (Fornaciari & Lund Dean, 2014).

Introduction

Social entrepreneurship (SE) is passionately and increasingly being practiced around the globe (AshokaU, 2014). However, while entrepreneurship (E) is an established area of scholarly focus since the late 17th century (Landstrom, 2007), SE has only recently entered the academic arena and still is a field under development (Mueller et al., 2014). As such, definitions of SE are plenty and far apart, which is one of the key issues that need to be addressed in order to move this field forward in the academic realm (Mueller et al., 2014).

Often SE is understood as entrepreneurship with social impact or with focus on a social mission resulting in a dual- and, more recently, a triple bottom line approach (Slaper & Hall, 2011). Using business oriented entrepreneurship as the foundation may also be due to the fact that the majority of scholarly papers on SE and SEE are written by authors associated with business schools and published in academic business or management journals (AshokaU, 2014). In addition, varied approaches – while casting a wider net – often originate outside of traditional business schools or in the field of SE practice (Dacin, Dacin & Matear, 2010). As a result, social entrepreneurship education (SEE) in this “tradition” is aiming at educating change agents from various disciplinary backgrounds and for different fields of practice.

Further, some specific perspectives and valid arguments add to the variety of approaches and to the confusion of scholars and practitioners who are working on passionately moving the field to the stage of academic maturity and well established and understood practice. For example, the social business (SB) movement, based on Mohammad Yunus' definition of social business as a business with social impact but without any consideration for profit generation (Kickul, Terjesen, Bacq, & Griffiths, 2012) and Wesley's adamant attempts to clearly differentiate SE from social innovation (SI) (Weber, 2012), adds some potential for clarity which has not yet been widely accepted let alone been implemented (Mueller et al., 2014).

In this paper, we first contextualize social entrepreneurship education by reviewing how the literature has addressed important terms, concepts, and issues. Second, we present and discuss relevant frameworks that have proven to be of benefit for the analysis of educational approaches. Third, some of these frameworks will be used to analyze social entrepreneurship syllabi at Canadian universities; Fornaciari and Lund Dean's (2015) recent presentation of an andragogical approach to syllabus development will be at the heart of our analysis. Fourth, resulting practices and issues will be compared and discussed and some first recommendations will be offered.

Literature Review

In this first section of our paper, we will review the literature in regard to relevant terms, concepts, and issues. This will help contextualize SE and SEE accordingly. It will further allow creating a framework for the analysis of SEE syllabi.

Terminology - "The Meaning of Social Entrepreneurship" (Dees, 1998) wasn't captured and defined before Dees – the "Father of Social Entrepreneurship Education" (Worsham, 2012, p. 442) – suggested in his seminal work that SE "combines the passion of a social mission with an image of business-like discipline, innovation, and determination" (Dees, 1998, p. 1) and offered the following "idealized" definition of a social entrepreneur: "Social entrepreneurs play the role of change agents in the social sector, by:

- Adopting a mission to create and sustain social value (not just private value),
- Recognizing and relentlessly pursuing new opportunities to serve that mission,
- Engaging in a process of continuous innovation, adaptation, and learning,
- Acting boldly without being limited by resources currently in hand, and
- Exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created" (Dees, 1998, p. 4).

Since then, SE has had several definitions crossing many disciplines, thus making it a challenging field (Dacin, Dacin, & Matear, 2010). The ongoing ambiguity around the concepts of SE makes it "difficult ... to develop appropriate courses and programs" (Lawrence, Phillips & Tracey, 2012, p. 319).

In 2007 Tracey and Phillips identified "two overlapping conceptions of social entrepreneurship ... in the literature" (p. 265). While one was focusing on achieving social change or transformation without a commercial emphasis, the other connected the entrepreneurial approach with the social purpose. Clearly, while both the social and the innovative aspects were strongly and almost unanimously highlighted, SE syllabi did vary in regard to more business oriented concepts and some of the components of the definition as suggested earlier by Dees (1998). Hence, Nicholls' (2011) suggestion seems to ring true: "Social entrepreneurship may represent a 'walrus' subject that can mean everything (and nothing?) to all interested scholars, a fluid institutional space with porous borders and hazy meanings" (Nicholls, 2011, p. 9).

Based on their earlier suggestion and supported by a recent trend, Lawrence, Phillips and Tracey (2012) continue to suggest differentiating between social innovation and social entrepreneurship while recognizing that “the distinctions are ones of emphasis rather than hard edges” (p. 319). They propose associating SE more with leveraging market mechanisms and ensuring financial sustainability while linking SI to innovative and potentially transformative solutions to social problems, often also “associated with inter-organizational and intersectoral collaboration” (p. 320).

Similarly, when interviewed by Weber (2012), Frances Wesley differentiates between the concepts of "social innovation" and "social enterprise" to support clear thinking, research and teaching (p. 410). For her, social enterprise is "social entrepreneurship plus business... an enterprise with a social goal that also seeks to make a profit... Social entrepreneurship is about creating a new product or process which serves an existing market or an existing structure, ... but it doesn't actually address the broader system dynamics that created the problem in the first place" (p. 411). On the other hand, for Wesley “social innovation” is the overarching “umbrella concept” that describes “broader change in society”. She calls social innovators “institutional entrepreneurs” who creatively experiment with and work on changing the system including its political and economic components to effectively problem-solve in a broader and often messier context. Entrepreneurs are needed at both levels and ideally in “innovative hybrid forms” (p. 411).

This also has consequences for SEE, as entrepreneurs need to be prepared through development of practical skills and analytic frameworks. In particular, they need clear definitions, knowledge about tools required for organizational development, and the skills and networks for innovative partnerships and forms of cooperation (Weber, 2012).

As a result, existing approaches to SEE have to be understood in the context of their interpretation of SE, SI, and SB. Given the literature on education in these fields mostly speaks of SEE in general and considering that we wanted to cast as wide a net as possible in collecting and analyzing syllabi relevant to the field, in this paper we will be using the term SEE acknowledging that the SE component entails both the business focused and the wider social impact interpretation of SE as well as the broader SI and the very specific SB conceptual approaches. However, our detailed analysis and resulting discussion and recommendation will again reflect the necessary differentiations in understanding and interpreting SE as found in Canadian syllabi of SEE.

Research and Practice - SEE already does play a major role in supporting the skill-building process for social entrepreneurs, their communities and society at large (AshokaU, 2014); it also can play an increased role by “nurturing the next generation of social entrepreneurs and supporting them in their efforts to create social value in innovative ways” (Lawrence, Phillips & Tracey, 2012, p. 320). However, very little research has been done to investigate either the content or the pedagogy of SEE to date. Additional research will also be necessary to add legitimacy to the field of SE and SEE alike and in particular to provide SEE with the theoretical and andragogical frameworks as well as the information needed to inform sound and evidence-based curriculum design and teaching (AshokaU, 2014). First, the existing diffusion and confusion around terms and concepts need to be overcome and converging definitions need to be identified (Lawrence, Phillips & Tracey, 2012). Second, the existing ambivalence or paradox of resistance to managerial labels and the need for managerial skills needs to be discussed and dissolved (Howorth, Smith & Parkinson, 2012, p. 372). Third, the fragmented body of information about and material for SEE needs to be further developed towards a higher degree of maturity (Lawrence, Phillips & Tracey, 2012).

Meaning and Purpose - Learning in general is related to community and identity, meaning and values (Wenger, 1998; Howorth, Smith, & Parkinson, 2012). This appears to be particularly true for Generation

Y students, who seem to increasingly look for what matters to them (Fornaciari & Lund Dean, 2014). “In concert, people all over the world are longing for deeper harmony between their purpose, education, and profession. Social entrepreneurship is filling those needs” (AshokaU, 2014, p. 43). Moreover, universities and university administrators have recognized the respective appeal of SE and SI. Finally, Ashoka’s (2014) recent presentation of Trends in Social Innovation Education has found that student demand for SEE really is the primary motivator for course and program development. In turn, course design in SEE has to recognize that and ensure relevancy and focus on value creation, meaning, and purpose.

Learning Outcomes - Learning outcomes are considered to be important in SEE to provide legitimacy, prove relevancy, and to measure impact both of theoretical and experiential learning; some universities have started identifying and tracking respective learning outcomes (AshokaU, 2014). In August 2010, AshokaU (2011) have drafted a list of “Learning Outcomes for Social Entrepreneurs and Changemakers” (p. B-1) that address understanding the field and engaging with the community (“Ways of Knowing”), thinking and problem-solving (“Ways of Thinking”), communicating and cooperating (“Ways of Interacting”), and understanding self and having a sense of purpose (“Ways of Being”).

Furthermore, given the significance of a learner-centered approach in the context of demand-driven education and principles of andragogy (see our respective section further down), learning outcomes need to be developed and defined by instructors in cooperation with learners who jointly share the responsibility for course outcomes and course related decision-making (Fornaciari & Lund Dean, 2014).

Based on the potential significance of measurable learning outcomes, this study will also investigate to what degree learning outcomes are clearly identified and negotiated in the respective syllabi. However, this paper does not evaluate the outcome assessment that institutions might use (if any) or measure the impact based on these outcomes.

Topics - While there is data indicating that the key focus of SE Initiatives including SEE is sustainability (32%), followed by SE theory (27%), venture creation (20%) and social change theory (20%) (AshokaU, 2014, p. 6), only few studies exist that study the topical coverage of SEE in more detail (Brock & Steiner, 2009; Welsh & Krueger, 2009). However, several claims are being presented that suggest that SEE needs to move beyond teaching individual topics in isolation and to organically integrate various topics, approaches, and sectors (Vidal, Smith, & Spetic, 2015; Lawrence, Phillips & Tracey, 2012; Kwong, Thompson & Cheung, 2012; Pache & Chowdhury, 2012). Only truly interdisciplinary and cooperative approaches will be able to help students to effectively address issues of sustainability (Kickul, Janssen-Selvadurai, & Griffiths, 2012; Howorth, Smith & Parkinson, 2012).

Experiential and Social Learning - The importance of practice and experiential learning is recognized by SE practitioners and experienced faculty alike (Welsh & Krueger, 2009). “Teaching social entrepreneurship effectively is all about developing a balanced program that blends theory and practice” (Worsham, 2012, p. 449). In fact, between 50 and 75% of current SEE is based on practice, service, and experiential learning opportunities “with a significant portion of the overall course grade attributed to the project (approximately 30%)” (Brock & Steiner, 2009, p. 17). Further, a supportive experiential focus can be of particular help for SE learners who may lack a formal education background and who may otherwise be intimidated by a normal (business) school setting (Lawrence, Phillips & Tracey, 2012). Active engagement and successful performances can help develop self-efficacy and social identity (Smith & Woodworth, 2012). Finally, Fornaciari and Lund Dean (2014) suggest that one of the generally accepted principles of andragogy is that “adults learn through trial-and-error experience” (p. 702).

Pedagogy and Andragogy in See

The primary focus of this paper is on the current teaching approach for SEE in Canada. The recent SEE literature extensively discusses various pedagogical approaches and perspectives. Only a few explicitly acknowledge the fact that most SE learners are adult learners by choosing the term andragogy (or learner) over pedagogy (or student). Given that demand from “students” is one of the key drivers of the growth for SEE, a learner-centered approach and andragogy seem appropriate. In the following we present what earlier reviews of SE course material (Welsh & Krueger, 2009; Brock & Steiner, 2009; AshokaU 2011) have found in terms of pedagogical approaches and discuss more recent contributions that have enriched the pedagogical and andragogical discourse regarding SEE.

Brock and Steiner (2009) mention service learning as a pedagogical approach well utilized in SEE (75%). They also found that the ratio between classroom and practice based learning is about half and half. These results are confirmed by the findings of Welsh and Krueger (2009). The latter also emphasize “the wide range of approaches faculty are taking to teach social entrepreneurship... [due to the] diversity of instructor backgrounds...[and identify a] need to develop a set of common best practices and determine what content and methods are most productive” (p. 36f).

Anderson and Krathwohl (2001) have introduced a three-step creation process for SEE oriented towards practice-based learning. First, in “problem representation” learners try to understand the problem and work on developing ideas for solutions. Second, in “solution planning” they evaluate the ideas generated earlier and translate them into concrete plans. Third, in “solution execution” they are implementing their preferred option based on their recommendations resulting from the earlier phases. Similarly, Pache and Chowdhury (2012) claimed that teaching “about” SE and SI – with a focus on knowledge – needs to be balanced with teaching “for” SE and SI by adding a focus on practical skill development.

Probably, the most influential contribution to the discourse about pedagogical – or andragogical – frameworks has recently been made by Fornaciari and Lund Dean (2014); their discussion of “The 21st century syllabus” certainly is at the core of our methodological approach (see further down). Based on respective student development literature about the Generation Y they “explore how and why the role of a course syllabus has changed, particularly in the management education realm, using the andragogy literature to frame the discussion” (Fornaciari & Lund Dean, 2014, p. 701). They particularly employ “four analytic frames from the current syllabus development literature—syllabus as contract, as power, as communication or signaling device, and as collaboration” (ibid.) – to guide their discussion.

The traditional syllabus provides “an operational roadmap” orienting students about the what, when, who, and how technicalities of the course. However, syllabi often do not well reflect the needs of current students in terms of adult learners and, as Fornaciari and Lund Dean (2014) claim, “our students are not using our syllabi with any regularity toward its intended purpose” (p. 703f.). Instead the authors suggest that andragogical principles as first introduced by Knowles (1977) into the discussion guide the development of syllabi. Adult learners need to know why they are learning and they prefer intrinsic motivators. Further, they prefer experiential and problem-based learning that is immediately relevant to them. Finally, adult learners should own their learning and be involved in any decision-making about their learning. As a result of applying these principles, syllabi can become “much more than unidirectional instruments and can assist in constructing both intellectual and psychosocial meaning with students” (Fornaciari & Lund Dean, 2014, p. 703). The authors hold that most syllabi to date are used with a focus on instructor control and as contractual or power instruments. They further suggest that utilizing syllabi as communication or collaboration device is more promising in regard to a learner-centered, androgogical approach.

In a follow-up paper Lund Dean and Fornaciari (2014) provided the following set of tips and recommendations that “requires both a philosophical shift and an actual implementation in practice” (p. 730):

- Consider Moving Toward Inclusive Syllabus Language and Policies, Signaling Mutual Respect....
- Consider Streamlining Syllabi to Recognize Reading Habits of Today’s Students....
- Consider the Schedule Portion of the Syllabus as Most Important for Students....
- Consider Syllabus Design and Layout for Accessibility and Engagement....
- Consider Students’ electronic-based worldview for readability....
- Consider Designing the Syllabus as a Resource and Go-To Document”
- Consider Our Own Ambiguity Preferences to Balance Structure With Student Input.... (p. 725ff)

In this paper we will examine a small portion of the overall population of SEE courses to start to examine whether instructors have begun to make this philosophical shift. Specifically, using the above tips as a checklist, we examine the extent to which existing SEE courses in English-speaking Canadian universities have been designed with pedagogical (or andragogical) underpinnings. We believe this is important not only as a “pulse check” on syllabi (on an admittedly small scale), but also to provide a baseline understanding of pedagogy/andragogy in SEE courses for the purpose of benchmarking future improvements.

Method

Design – Course syllabi were collected in collaboration with a large-scale, worldwide study of the outcomes of entrepreneurship education entitled the “Entrepreneurship Education Evaluation (EEE) Project” (<http://www.eeeresearch.com>). For this paper, two of the authors initiated the syllabus search by examining the online course catalogues for all 80 English-speaking publicly funded Canadian universities (Government of Canada, 2015). This produced the discovery of 16 courses, representing 20 percent of the original sample of 80 schools (no school had more than one SEE course listed). Next, we contacted the assigned instructor for each of the 16 syllabi by email to request an electronic copy of their individual syllabus. This resulted in a final sample of 10 syllabi representing a 56% response rate from the instructors.

Participants - All 10 courses were taught at the university level, with 70 percent listed as undergraduate courses and 30 percent listed as graduate courses. In terms of province of origin, 20 percent of the syllabi came from New Brunswick, and 20 percent came from Nova Scotia, and 20 percent came from Ontario. The remaining 40 percent came from Newfoundland, Quebec, Manitoba, and British Columbia with 10 percent each.

Variable Coding – Syllabi were coded for a variety of variables (see Table 1). Two researchers, both of whom were authors of this paper, independently coded the syllabi. Discrepancies between the raters, which were few, were resolved via a search for errors in the data sheet and/or the syllabi.

TABLE 1
Coding Framework for Review of SEE Syllabi

Factors/ Criteria	Coding instructions/options
Country	Name
State/Province	Name
University/College name	Name
Department/Faculty	Name
Instructor	Name
Instructor background	Describe if info available (e.g., practitioner/social entrepreneur; academic specialist, etc.)
Contact (when / how)	0: no info; 1: accessible; 2: Very accessible (includes email and / or phone)
Course Title	Name
Course Number	Number
Term & Year	Term & Year of syllabus
Program context	0: no info; 1: major; 2: minor; 3: certificate or diploma
Course level	0: non-credit; 1: undergrad; 2: graduate
Course required	0: elective; 1: required elective; 2 required course
Course requirements	0: none & open to all; 1: prerequisites (req. courses); 2: limited to program students
Course topics	List of topics
• Opportunity recognition	0: no; 1: yes
• Innovation	0: no; 1: yes
• Acquiring limited resources	0: no; 1: yes
• Measuring social impact	0: no; 1: yes
• Building sustainable business models	0: no; 1: yes
• Scaling social innovations	0: no; 1: yes
Course material	List of required books, readings, cases
Course objectives/outcomes	List of outcomes / objectives
• Measurable outcomes	0: no; 1: yes
• Outcomes measured through assessment	0: no; 1: yes
• Collection of competencies	List
• Critical thinking explicitly mentioned	0: no; 1: yes
Course policy	Policy description
Course assignments	Assignment description; Assignment weights; grading scale
Teaching approach	describe if info available
• Reflective learning approach / method	0: no; 1: yes

• Supportive learning approach / safety	0: no; 1: yes
• Introduce to/identify with SE community	0: no; 1: yes
• Stimulate confidence in acquisition of tools, abilities, resources	0: no; 1: yes
SE definition	describe and / or refer to definition adapted from literature
SE conceptualization	0: no info; 1: focus on business approach towards societal problems; 2: focus on social impact irrespective of commercial means
SE vs. SI	1: Focus on social innovation; 2: focus on social entrepreneurship
Pedagogy vs. andragogy	0: instructor focus/control 1: mixed (some learner input) 2: highly learner centered (collaboration on most/all syllabus elements)
• Inclusive language and policy	0: no; 1: yes
• Syllabus "streamlined"	0: no; 1: yes (if key elements from student perspective are presented readable and short)
• Schedule portion highlighted	0: no; 1: yes
• Layout and design accessible & engaging	0: no; 1: yes
• Considers students' electronic worldview	0: no; 1: yes (if electronic version exists and / or many electronic links and resources are available)
• Syllabus offers additional relevant resources	0: no; 1: yes
• Structure is balanced with student input	0: no; 1: yes
Challenges facing social entrepreneurs/innovators	
• Accountability addressed	0: no; 1: yes
• Double bottom line addressed	0: no; 1: yes
• Management of multiple identities addressed	0: no; 1: yes
• Addresses context of social problems	0: no; 1: yes
• Addresses political nature of enterprise/solution	0: no; 1: yes
• How are these challenges addressed?	Describe if info available
Project-based	0: no; 1: yes
Community engaged	0: no; 1: yes
Involves service learning	0: no; 1: yes
Involves creating own venture	0: no; 1: yes
Emphasis on innovation	0: no; 1: yes

Emphasis on values/ethics	0: no; 1: yes
Emphasis on sustainability	0: no; 1: yes
Business plan approach	0: no; 1: yes
Case study approach	0: no; 1: yes
Three phases of creation process addressed	0: problem representation only; 1: includes solution planning; 2: includes solution execution
Critical perspectives	0: no critical perspectives on SE apparent; 1: critical perspectives included

Results

Descriptive Statistics – The descriptive statistics derived from the seven pedagogy/andragogy variables associated with this research are presented in Table 2.

TABLE 2

Pedagogy vs. Andragogy in 10 Canadian University Syllabi

No.	Inclusive Language (1 = Yes; 2 = No)	Streamlined (1 = Yes; 2 = No)	Schedule Portion Highlighted (1 = Yes; 2 = No)	Layout/ Design Accessible/Engaging (1 = Yes; 2 = No)	Considers Students' Digital Worldviews (1 = Yes; 2 = No)	Relevant Resources Provided (1 = Yes; 2 = No)	Allows for Student Input (1 = Yes; 2 = No)	Overall # of Yes per syllabus
1	2	1	2	1	1	2	2	3
2	1	2	1	2	2	1	2	3
3	2	1	1	1	2	1	1	5
4	2	2	1	2	2	1	1	3
5	1	2	1	1	1	2	1	5
6	1	2	1	1	2	2	1	4
7	2	2	2	2	2	2	1	1
8	2	1	1	2	1	2	2	3
9	2	2	1	1	2	1	1	4
10	2	2	1	2	1	2	1	3
TOTAL	30% 'Yes'	30% 'Yes'	80% 'Yes'	50% 'Yes'	40% 'Yes'	40% 'Yes'	70% 'Yes'	

Details – Most of the ten syllabi investigated (80% and 70% respectively) demonstrate that the course schedule – an element that is of strong relevance to students – is highlighted within the syllabus and that the course allows for student input. For half of the syllabi the design and layout was found accessible and engaging. Only 40% of the syllabi seem to consider students' digital worldviews and provide additional relevant resources. Finally, only 30% use inclusive language or are “streamlined” to accommodate students' preference for brevity and conciseness.

None of the syllabi demonstrate full “compliance” with the andragogy variables (“Yes” for all seven variables). Two syllabi show “compliance” with five variables and two with four variables; the rest of the syllabi only comply with one to three of the andragogy variables. Clearly, most of the courses examined in this study were designed with pedagogical principles in mind rather than andragogical ones. Therefore, the results of our study confirm the respective observations of Fornaciari and Lund Dean (2014). Implications of these findings are discussed below.

Discussion

Results – The results of our study mirror AshokaU’s (2011) findings and suggest that “despite increased interest, rigorous, relevant and innovative social entrepreneurship curricula and teaching resources remain scarce” (p. 15) and androgogical principles of syllabus design are not yet well addressed. Drawing on frameworks developed by Fornaciari and Lund Dean (2014) and based on adult learning principles (Knowles, 1977), our study has shown that SE syllabi do not yet well address the need of today’s learners and the required “philosophical shift and actual implementation in practice” (Lund Dean & Fornaciari, 2014, p. 730) is still outstanding.

The language of reviewed syllabi is rather exclusive (instructor and control oriented) and does not well support the also existing intention of instructors to invite learners to take control of their own learning. In addition, many of today’s learners may not well connect to existing syllabi because the documents do not readily “recognize [the] reading habits of today’s students” (Lund Dean & Fornaciari, 2014, p. 726) and still offer too much information that may not be perceived as relevant by students. Learners will likely focus on what they consider to be of key importance and what in fact is highlighted in most syllabi that were analyzed: the course schedule (*ibid.*, p. 727); other elements might simply not be read. This is not surprising given that only half of the syllabi investigated appear to be designed and laid out for “accessibility and engagement” of today’s learners (*ibid.*) and even less “consider students’ electronic-based worldview for readability” or design the syllabus as “resource and go-to-document” (*ibid.*, p. 729).

Implications – Clearly, the potential of a SE syllabus as a tool of collaboration to shift the focus from compliance to creative learning by transferring most of the instructor's position power to the students to create their own learning (Fornaciari & Lund Dean, 2014) has not yet been fully realized. This potential and its embedded objective of student-centered learning agrees with the target of SEE of equipping the next generation of social entrepreneurs with the skills and tools required to create social impact in innovative ways (Lawrence, Phillips & Tracey, 2012). While contractual syllabi are “defensive...and designed to close policy loopholes” (Fornaciari & Lund Dean, 2014, p. 706), they often are demotivating and do not build trust and engagement. Syllabi as power instrument demonstrate the instructor to be in control (for example, by the dominant usage of “I” and “you” over “we”). Perceiving the SEE syllabi as collaboration tools encourages active engagement through experiential and social learning. As previously mentioned, blending theory and practice (experiential and social learning) is achieved by assigning various projects, such as: initiating one’s own venture, building a business plan, providing consultations and recommendations to existing social enterprises, et cetera. Referring to syllabi as collaboration tools also complies with the meaning and purpose of learning as well as the learning outcomes within the context of a learner-centered approach drawing on the principles of andragogy.

However, the fact that andragogically designed syllabi are lacking may also reflect Fornaciari’s and Dean’s (2014) concern that “andragogical syllabus design... fundamentally depends on student readiness levels to participate” (p. 711). Since not all students may be as ready for a full student-centered or self-directed learning experience, they may miss the “structure and [perceived] certainty” (p. 717) of

contractual approaches and push back in spite of existing evidence for better student performance in the context of learner-centered approaches.

Before progress can be made in the development of SEE, we maintain that it is essential that its instructional frameworks are conducive to the learning styles of its recipients and balance their various needs. Based on the criteria used in this study for assessing SEE syllabi, we recommend the development of new, learner-centered social entrepreneurship courses and syllabi that also accommodate learners' needs for structure, guidance, and safety.

Limitations – Clearly this study is based only on a small sample size of ten syllabi within Canada only. Both the small sample size and the lack of precision of some of the syllabi made it difficult to completely analyze the syllabi using all criteria and frameworks as discussed in this paper. Reviewing more syllabi also from other countries and including more comprehensive additional information about the respective SE courses would enable researchers to more effectively analyze the required engagement between the various stakeholders of SEE from different perspectives. While we tried to overcome some of these shortcomings by checking the related websites and by contacting the instructors, a more comprehensive approach will likely garner more solid and broader results. Likely a larger research team spanning various institutions will also reduce the potential danger of a coder bias.

Future Research - A few ideas emerge from the literature reviewed that suggest further directions SEE and SEE research might take. Pache and Chowdhury (2012) “recognize that other institutional logics may influence social enterprises in important ways, such as, for instance, the community logic or religious logics. Depending on the profile of the students and the environments in which they plan to launch their social ventures, it may be highly relevant to add ... pathways for socialization into these additional logics” (p. 507). Further, it likely will be worthwhile in a few years to specifically revisit the framework and tips presented by Fornaciari and Lund Dean (2014; and Dean & Fornaciari, 2014) and to investigate to what extent the respective principles and suggestions have been applied in SEE.

One of the very promising recent publications that might add to the framing of SEE is the threshold concept approach presented by Vidal, Smith, and Spetic (2015). In their contribution they ask and answer the basic question, what is the “underlying game” or “threshold conception” of SE? They point out that SI and SE “courses contain a web of threshold concepts (i.e., ethics, corporate social responsibility, and sustainability) that need to be understood in unison...[and that have] social, environmental, and economic responsibilities that are interconnected and interdependent” (p. 497).

Rather than teaching relevant topics “as distinct separate concepts” they argue that teaching social entrepreneurship by the very nature of the subject (integrating several interrelated, interconnected, and interdependent concepts, each of them being equally important in explaining the overall concept) needs to organically integrate these topics. As a result, a threshold approach might help “students have a better grasp of the interconnections and interdependencies ... when these separate concepts are presented as a web of threshold concepts that transform the understanding of one another” (p. 498).

Vidal, Smith, and Spetic (2015) further emphasize the “human-centered educational approach” of SEE courses that “requires students to develop both inward and outward focuses; students need to realize what their values and beliefs are, while understanding how their actions may affect others. Grasping this connection between inward and outward focuses leads to the integration of old and new knowledge about themselves and business management in general” (p. 503). Finally, the authors demonstrated “that a web of threshold concepts may serve as the threshold conception for a more advanced-level course” (p. 520).

Another recent set of publications on “Neuro-Entrepreneurship” (for example, Krueger & Wuebker, 2014) might also prove fruitful for the further discourse on and research about SEE. While earlier Chia (1996) had already identified the “cultivation of the ‘entrepreneurial imagination’” as “the singular most important contribution university business schools can make to the business community” (p. 409), the more recent attempt to harvest the results of neuro-science for the development of characteristics of social entrepreneurs will likely inform course and syllabus development. For example, Krueger and Wuebker (2014) suggest that experiential learning and case studies may be “beneficial to develop opportunity recognition abilities” (p. 10). Similarly, Frederiks (2014) also claims “teaching how we know is essential for students to develop an entrepreneurial mindset” (p. 17).

Concluding Remarks

In this paper, we first reviewed terms, concepts, and issues of SEE. Then we discussed various frameworks for analyzing SEE and focused on presenting Fornaciari and Lund Dean’s (2014) suggestion for a learner-centered and andragogical approach to syllabus development. Finally, we have used this particular framework to analyze and describe to what extent ten SE syllabi from Canadian universities apply andragogical versus pedagogical principles. While we plan on expanding the very limited sample of our exploratory and descriptive research study to allow for a more comprehensive review of SEE at a global scale and including additional criteria and variables, we found that the majority of existing SE syllabi in Canada still do not take advantage of the potential and promises of andragogical principles; learners in general and emerging social entrepreneurs in particular need to be better supported in their need for purposeful, meaningful, and collaborative engagement with their communities. Together with Fornaciari and Lund Dean (2014) we conclude:

While we recognize that not every instructor looks for ways to give up both power and control in the classroom, traditional syllabi are often barriers that prevent us from experiencing the satisfaction and fulfillment that we initially sought within the profession.... For an andragogical syllabus to be an effective collaborative tool, we have to recognize the dialogical nature of those principles. (p. 718f.)

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AUTHORS OF OUR OWN MISFORTUNE? CRANDALL UNIVERSITY BOOKSTORE WRITES ITS FUTURE¹

In 2014 university campus bookstores found themselves in a tenuous position – increasing textbook prices and new competitors who were leveraging technology to capture their traditional market (students) had served to deplete revenues and shake the very foundations of an established business model. *Authors of Our Own Misfortune?* traces the experience of the Crandall University Bookstore – an independent campus bookstore at a small university in Moncton, NB, Canada – as its manager considers its future viability. Principal issues explored in the case surround how to respond to new entrants who are exploiting innovation to change industry fundamentals and product diversification in an environment characterized by dominant and powerful suppliers who are moving to become competitors.

All the Information in the World

Amy Pattison looked with renewed interest at the spreadsheets covering her desk in the campus bookstore office. She had recently been offered and accepted the position of University Bookstore Manager and with a year as Assistant Bookstore Manager under her belt, she felt ready to tackle the challenges ahead. Before her lay the information she felt would enable her to create a strategy for the store that would fulfill her commitment to the university. Yet she knew that she had to make sense of it – to try and figure out what, exactly, the data was seeking to tell her.

She smiled as she thought back to her days as an undergraduate business student and the lessons taught in her Strategic Management class. “I guess the prof was right,” she thought. “All of the information in the world won’t help if you can’t figure out how to use it... it seems real life is not all that different from the case studies we did!”

Crandall University’s Bookstore

From its humble beginning in 1949 as a Christian high school of 12 students, to its current position as an undergraduate and graduate degree granting institution, the university had grown into an academic institution with a student population of 700 students by 2014. During that time the university had also grown in physical presence, having moved to a 200 acre campus from the single academic and residential building of its origin. It had also undergone three name changes to finally arrive at Crandall University in April 2010.

¹ The authors would like to thank Amy Pattison and Heather Burke of Crandall University for their participation in the development of this case study, as well as Evan Dignam and Evan Power of the BU4723 Advanced Strategy class for their assistance in data collection.

From its early history the university had housed a campus bookstore that sought to keep pace with the institution's growth by providing items traditionally needed by students – an inventory of text books and a few supplies. But more students meant increased demands on the bookstore, which in turn created special challenges given that the inventory management and accounting systems were largely manual in nature². As the bookstore moved into the twenty-first century these antiquated systems had trouble managing the inventory, and stock outs and costly returns were accepted as normal bookstore operations. Additional product lines were limited to a few items requested by non-student users of the bookstore, such as Christian fiction books sought by summer residents of campus housing. These non-textbook items were added at the discretion of the bookstore manager³ and selected by personal preference or anecdotal “research”. Very little university branded merchandise was available in the store as the manager⁴ did not see this as a product line worth pursuing. In addition to stocking the store, the manager was also responsible for overseeing the part-time student staff, which typically consisted of three students who worked various shifts during the week.

As Crandall grew in programs offered and student enrolment, the university's Board of Governors determined that a facilities expansion would be required and by October 2010 a new academic building – Stultz Hall – was put into service. Included in this building was an expanded bookstore space that positioned it in a high traffic area and doubled its retail and storage square footage. Concurrent with the change in locale was the retirement of the previous bookstore manager and the hiring a new one who brought with her many years of retail experience in a Christian bookstore setting⁵.

As part of the new manager's training, visits to other university bookstores were arranged. The process was informative for both the manager and the Vice President of Finance and Administration (VPFA) (Appendix 1) as they learned much about how other stores handled merchandising and systems management. It was clear that there were many opportunities available that might help Crandall increase sales and streamline its reporting system. One concrete result of these visits was the acquisition of a new Point of Sale (POS) system. With it, the bookstore had greater access to inventory information, although the tradeoff was a need for increased attention to numeric detail in data entry that had not been necessary in the manual periodic inventory system. It quickly became apparent that much training and experience would be needed before the new inventory system could produce information useful in decision making.

The 2010 name change created a need to rebrand the university and part of that process included the development of a new logo and a heightened interest in employing Crandall apparel and “swag”⁶ as a branding tool. Display and sale of the resultant clothing, coffee mugs and logoed stationary became the responsibility of the bookstore manager, while design and selection of the items remained with the university's Communications Manager⁷, who visited the bookstore frequently to rearrange the branded product and add to the non-textbook product lines.

However achieving consistent results in this changing environment proved difficult as the store's 2010 net profit dropped by 38% and experienced significant fluctuation (Appendix 3a) that the manager

² Even in recent years the process remained largely manual, with only revenue captured by computer.

³ For much of the life of the Crandall University Bookstore (up to 2010) it was managed by Mrs. Ramona Mitchell. During the immediate years leading up to Amy's hiring the position included both the management of conference services and the bookstore. The full title of the position was “Auxiliary Services Manager/Bookstore Manager” but was commonly referred to as “Bookstore Manager.”

⁴ Ramona Mitchell

⁵ Mrs. Sylvia Williston

⁶ While historically used to describe a looped fabric curtain, “swag” in this context describes products that are designed for promotional and branding purposes.

⁷ The Communications Manager reported not to the VPFA but directly to the VP for Institutional Advancement.

was at a loss to explain. With the added duties of conference services combined with some personal health challenges she became overwhelmed and resigned after only 18 months. Management of the bookstore was charged to another employee on an interim basis while day-to-day responsibilities were dealt with by the part-time student staff.

Amy Comes Aboard

Amy Pattison's student experience at the university straddled this transitional period and the bookstore provided her with part time employment. She was hired as a third year student in 2011 to provide front store customer service – along with two other students she ran the cash, accepted returns and stocked shelves. By the time she graduated she possessed a rich understanding of the day-to-day requirements of the bookstore.

After graduating from Crandall's Bachelor of Business Administration degree in May 2013 Amy spent the summer managing a small seasonal café, but mid-August found her searching for something more permanent and unsure of what direction to take. It was then that the university posted an opening for a temporary Assistant Bookstore Manager. Her ties to the university paid off – she was contacted by the VPFA and asked to apply.

On the basis of her previous experience and a short interview Amy was offered the position and started work just as the semester began. Reporting directly to the interim Bookstore / Conference Services Manager, Amy took on the task of day-to-day operation of the bookstore. She had accepted the position knowing that there were organizational issues needing attention immediately and set out to clear them out of the way, beginning with a systems cleanup of outstanding purchase orders, mismatched receiving documents and unresolved back orders. Her next order of business was adding additional gift items and clothing merchandise.

Another pressing task was a request by the VPFA to prepare a report assessing the current structure of bookstore/conference services. This report would provide recommendations regarding its structure and purpose going forward and be presented to the President's Council, the university's strategic advisory body. After much research and analysis a document was prepared that included four primary recommendations:

1. The campus residence should not be used as a summer hostel as this is not cost effective.
2. Conference Services should expand its catering services through use of a new brochure.
3. Conference Services event booking policies need to be consistently enforced.
4. Conference Services and Bookstore should be structurally separated.

Council agreed to go forward with the new brochure immediately although it was the following spring before the fourth proposal was actioned and the role of the bookstore manager re-imagined. Conference Services and the Bookstore were separated creating permanent full-time positions in each area. Additionally, the role of accounts payable clerk was added to the bookstore manager position and the job was posted. These changes actually enhanced the position in Amy's eyes given the accounting training she had received in her business degree in addition to her bookstore experience – she eagerly applied for and won the position. Amy found it interesting that an overall vision had been developed for the position and not just a list of delegated tasks (Appendix 2). The long-term vision that she had been informally developing had now become her mandate *and* her problem. Her first priority, she felt, was to determine what long term role the bookstore would have in the life of the university.

Amy's boss, VPFA Heather Burke, had been clear that she was concerned that textbooks were "becoming extinct" and questioned what that would mean to a bookstore whose core business was the sale of textbooks. Heather felt that recent trends in the bookstore's performance were indicative that traditional university students were becoming less likely to purchase textbooks for a number of reasons, ranging from being unable to afford increasingly expensive texts to having cheaper alternatives available elsewhere to simply not seeing the use in owning a textbook. Moreover, mismanaging the ordering process was costly to the university both in terms of return charges and write-offs of obsolete titles.

Amy felt that Heather was right, but as she reviewed the data she wondered whether the current reporting model could validate what *exactly* was going on in the store. In her hands she had the bookstore's only required internal performance report (Appendix 3a) provided by the VPFA. She knew that the "Purchases" number included only the costs of merchandise sold – other costs, like salaries and benefits, were then deducted to provide the net bookstore number shown on the audited financial statements. Given that these operational costs were anywhere from \$40,000 - \$50,000 annually, it didn't leave much for a contribution to the university. Amy felt that increasing this margin should be her first order of business, and part of that process would require an understanding of which product lines were making the biggest contribution, and which were providing little.

Amy knew that this would require a little leg work since product line reports had never been prepared for the store. After some experimenting with the inventory report generator, she was able to create product line information for 2014 (Appendix 3b). Not surprisingly, textbook sales proved to be the largest segment, although Amy was surprised by the extent to which they dominated total sales. If Heather was correct and textbook sales were on the rapid road to extinction, the bookstore had some tough decisions to make. Understanding what was going on in that product line was an obvious place to start – were students actually buying fewer textbooks? Perhaps student acquisition rates – the ratio of books sold to students enrolled – would provide some insight.

In the past Amy had noticed that students' textbook buying habits differed depending on the faculty to which they belonged. She felt that science and business books were least likely to be purchased, whereas religious studies textbooks seemed to sell at a higher level. Before she made any decisions though, she went back to her inventory system to see if she could pull information to support her feelings. The information was available one piece at a time, and required effort to sort and collate it in an excel spreadsheet so that she could begin to look for patterns (Appendix 3c). Unfortunately these reports had never been produced in previous years so Amy had little basis for historic comparison.

Another complication was that textbook sales included books for both the traditional undergraduate degrees offered by the university and the continuing education Bachelor of Arts degree offered by the Adult Learners Professional Studies (ALPS) program. Unique to ALPS was a comprehensive pricing structure that included all tuition, fees and textbooks, which meant that ALPS textbook sales were not impacted by student preferences for alternatives, and acquisition rates for books used in the program were 100%. It also meant that ALPS textbook sales were more directly impacted by changes in student enrollment. For example in 2013 ALPS student enrollment dropped significantly with a resulting decrease in textbook sales, evident in the overall revenue picture. At that time, the POS system was not able to capture data by program type making it impossible to calculate the actual financial impact resulting from this issue.

Bookstore Operations

The bookstore's products fell into broad classes that varied in terms of their marketability and profit potential⁸:

- **Textbooks**

Textbooks had historically been the bookstore's "bread and butter," accounting for almost 90% of the operation's sales. These books were ordered from publishers which generally sold them to the store at a 20% discount off a Suggested Retail Price (SRP). Most books were then sold at the SRP, effectively generating a 20% margin.

- **University Branded Clothing**

The store carried several lines of clothing (e.g. hoodies, t-shirts, etc.) that were marked with either the Crandall University logo or the logo of the University's sports teams (the Chargers). Most clothing was marked up between 30 and 40%.

- **University Branded "Swag"**

An increasing number of non-clothing branded items were offered for sale that ranged from notebooks to coffee mugs. These items carried a 30-40% markup.

- **Non-Academic Books, Music, and DVDs**

These products offered Amy significant flexibility in terms of what she might stock. For example, if the university was hosting a conference for the Atlantic Baptist Women (a group largely comprised of senior citizens), Amy might order in a selection of adult fiction known to be popular with that demographic. Most of these products could be acquired at a 30 to 40% discount off of the publishers' SRP and then sold at a price determined by adding back the discount.

- **School Supplies and Convenience Products**

The store offered a wide selection of supplies (e.g. pens, paper, notebooks, etc.) and convenience products (e.g. chewing gum, soft drinks, candy, etc.) that would typically be purchased by a university student. The markup on these products varied widely.

- **Canadian Bible Society Books**

The Canadian Bible Society (CBS) was a national organization devoted to the translation, publication, and distribution of Bibles. Founded in 1904 the Society had originally operated a number of retail stores across the country; however the increasing secularization of Canadian society combined with the cost of operating retail operations resulted in a new business model with regional representatives carrying out the Society's mission "on the road". In the fall of 2013, the Society rented office space from the university, and part of the deal provided retail space in the bookstore for its literature. CBS products were not included in inventory, but were held on a consignment basis with the bookstore recognizing a commission on every sale.

⁸ Amy had little control over the price of the Bookstore's products as margins were set by the VPFA (typically based on SRP), although she could exercise some level of discretion in the setting of the final price based on her professional judgment. While there were six broad categories, the Product Line Sales Report broke some categories – like School Supplies and Convenience Products – into sub-areas.

Inventory Management

Given the importance of textbooks to the university bookstore it was not surprising that significant effort was devoted to the ordering and managing inventory (Appendix 4). The process of acquiring books typically began months in advance of the beginning of a semester. For example, on May 21st the Registrar's Office released the official listing of courses to be offered in the Fall 2014 semester, which only then enabled the bookstore to call on professors to submit their textbook orders by June 30th. Personally Amy found this to be one of the more frustrating parts of the ordering process, given that course offerings were being finalized only after students had already left for the summer, meaning that many of them would not register for Fall courses until their return. This left Amy ordering textbooks without any sense as to what course enrolments would be and forced her to rely on historic enrolment data and "guesstimates" which carried the risk that she might order too many or too few texts for a given class. Too many texts meant additional expense for the university in unnecessary inventory and return shipping costs (this year alone the shipping cost for texts returned to publishers was over \$5,000). Too few texts meant upset customers (and professors) as courses got underway.

Professors represented another challenge for the bookstore. Many seemed to take a laissez-faire approach to ordering textbooks, and each year the order deadline would pass with many faculty members not having submitted their requests. This resulted in a laborious process of emailing, telephoning, and otherwise seeking to track down professors to determine their respective needs. On a good day Amy would have orders submitted on time and proceed to input them into the store's POS system. Called "Bookware," the system enabled the store to order, receive, and track inventory as well as process sales, credit and debit card payments, etc. Once an order was input into Bookware a purchase order would be generated that in turn would be used to make a telephone order with a publisher.

Publishers

Since the formation of the first universities in medieval times the written word played an important role in the education of students, although the supply of and demand for books was hampered by the developing state of printing technology and limited accessibility to higher education. This would change however with economic growth in the 20th Century – more students equated to greater demand for more specialized university instruction and textbooks to support them. Corresponding technological advances meant that these texts could be produced and delivered in mass quantities. As the 1960s unfolded the textbook publishing industry experienced a period of buyouts and mergers, giving rise to four major players who would by 2014 come to dominate the higher education segment of a \$14 billion⁹ education publishing industry: Pearson, McGraw-Hill Education, Cengage, and Wiley.

Pearson Education

New Jersey based Pearson Education was owned by the publicly-traded British corporation Pearson PLC.¹⁰ With holdings like Random House, the Financial Times, and the Economist Group Pearson PLC was recognized as both the largest education company and the largest book publisher in the world.¹¹

⁹ Lisa Ishamchuk, *History of Textbook Publishing in Canada* and Ioanna Opidee, *College Textbook Forecast*. The \$14 billion size of the industry represented two segments: K-12 and Higher Education publishing, both of which were approximately equal in size.

¹⁰ Pearson, *Pearson at a Glance*.

¹¹ Phillip Jones, *Pearson stays on top as world's largest book publisher*.

McGraw-Hill Education

Founded in 1888, New York based McGraw-Hill was sold in 2013 by its parent McGraw Hill Financial to privately owned investment funds affiliated with Apollo Global Management. The publisher had over 6,000 employees in 44 countries and published in over 60 languages. It offered a wide variety of learning products that ranged from pre-kindergarten to post-secondary, and operated in Canada as McGraw-Hill Ryerson.¹²

Cengage Learning

Cengage emerged in 2007 as part of the restructuring of Thompson Publishing. Based in Boston the company operated in over 20 countries, including Canada where its products carried the Nelson imprint. It offered a range of products from textbooks to journals to magazines, and had strategic partnerships with media companies such as WebMD and Dow Jones.¹³

Wiley

Founded in 1807, New Jersey's John Wiley & Sons focused its operations in the areas of research, professional development, and education, and published everything from textbooks to academic journals to databases. The company's education segment had recently begun to focus on innovative solutions for its customers, which included software to manage everything from entire academic programs to individual courses¹⁴.

The dominance enjoyed by large publishers could be attributed to the way in which the higher education publishing industry had evolved. Historically publishers had benefitted from a business model that was relatively well protected by high industry entry barriers that included author relationships and established buying and distribution processes. They had also benefitted from a relatively fixed demand for their products which enabled them to maintain healthy margins. For example, between 2006 and 2011 the higher education publishing industry enjoyed a 3.3% annualized rate of growth driven by price increases,¹⁵ the continuation of a longstanding trend that had (according to some economists' renderings) seen the price of textbooks increase over 800% since 1983 versus a consumer price index that had increased only 250% over the same period. The net result was healthy margins for major publishers – e.g. in 2012 McGraw-Hill posted a profit margin of 25% while Wiley generated 15% and Pearson 10%.¹⁶

The operant business model in the industry was relatively unique, in that it functioned via a fundamental mismatch between supplier and end customer. As one economist explained,

“The textbook market is remarkable because the primary individuals who choose college textbooks (faculty) are not the people that pay for those textbooks (students). Only a few other organized markets... are similar in this regard. A comparable situation exists in medicine where doctors prescribe drugs for their patients, but do not pay for those drugs... Analogous to the market for prescription drugs where prices have risen rapidly, in the market for textbooks the separation of textbook choice and textbook payment

¹² McGraw-Hill Education, *About Us*.

¹³ Company Overview of Cengage Learning, Inc., *Bloomberg Business Week*

¹⁴ Company Overview of John Wiley & Sons, *Bloomberg Business Week*

¹⁵ Bailey et al., *The Digital Disruption of Education Publishing*

¹⁶ Jonathan Band, *The Changing Textbook Industry*

profoundly influences pricing... students end up being coerced to pay for someone else's choices."¹⁷

As the 21st Century unfolded technological change brought with it increased demand for digital content instead of textbooks as course content moved online – for example by 2014 in the U.S. 14% of all collegiate courses were being taken via the internet¹⁸. Many students were also becoming disenchanted with traditional textbooks – as one somewhat humorous survey of undergraduates seemed to indicate, 100% of the time a new edition of a text was issued nothing changed except the picture on the cover (Appendix 5)¹⁹. Many students were also despairing of the ever-increasing price of textbooks versus their limited wealth – after all, the image of the starving student had long been entrenched in university folklore. After paying tuition, room and board, and travel to and from campus, many students found the prospect of purchasing expensive textbooks too much. According to one survey, 65% of students said that they had decided not to purchase a required textbook because “it was too expensive” while at the same time almost unanimously stating concern that not owning a textbook would have a negative impact on their final grade. Almost 50% stated that the cost of textbooks determined how many or which courses they would enroll in²⁰. Determinations of how much students spent on textbooks varied, though one estimate was that between \$805 and \$1,229 was spent per student on books and supplies²¹.

When it came to trying to beat the high cost of textbooks students had a greater range of choices available to them than ever before: electronic, rental, and used textbook options were providing lower priced alternatives to the campus bookstore and flattening the big publishers' potential market²².

The Campus Bookstore

The campus bookstore had long been a fixture of universities and colleges and served as the primary conduit via which students acquired course materials. Publishers had benefitted from an established distribution model that relied on the campus bookstore to deliver their products – a model that was built on relationships²³. Publishers employed sales staff who would connect with professors or academic administrators, determine the need, and then suggest resources to fill those needs in the hopes that the professor would choose a product from their company. Textbooks would then be shipped and shelved in the bookstore in anticipation of student purchase.

The price of a textbook was ultimately set by the bookstore, and typically based on an SRP from the publisher, who provided their texts at a discount off of the SRP. Although the profit generated by the sale of textbooks varied by a number of factors (including price and store operating expenses), on average revenue from the sale of a textbook was distributed as follows²⁴:

- 64% Publisher
- 22% Bookstore
- 12% Author
- 2% Shipping

¹⁷ James Koch quoted by Thad McIlroy in *The Future of Educational Publishing*

¹⁸ Bailey et al., *The Digital Disruption of Education Publishing*

¹⁹ Lisa Ishamchuk, *Higher Education Textbook Publishing: Past, Present, and Future*

²⁰ Ioanna Opidee, *College Textbook Forecast: Radical Change Ahead*

²¹ 2007-2008 amounts estimated by the U.S. College Board quoted by Thad McIlroy in *The Future of Educational Publishing*

²² Ibid.

²³ Ibid.

²⁴ Tzu-Chen Huang and Yi-Ling Yang, *The Growing Market in Used Books*

Historically the mission of the campus bookstore had been “to give students a convenient source of textbooks”, and for generations that mission had been unchallenged – until now²⁵. Industry advancements were bringing significant change to the campus bookstore and – in some cases – significant difficulty. From the perspective of one college administrator:

“What we noticed was that more and more students were not buying textbooks, period. They told us that in our surveys. They wrote comments like, ‘I just didn’t buy my textbook this semester’ or ‘I borrowed the chapters I needed from a friend when it was time for an exam’. Most of them said they didn’t have the money or didn’t want to spend that much on a textbook. Some said they couldn’t afford all their textbooks, or would only buy a few and get by with borrowing the rest. That troubled us greatly...”²⁶

The National Association of College Stores (NACS) put it bluntly: “Book sales are declining – they’re down tremendously...The college stores have to find other ways and other categories [to make money] otherwise they won’t survive”²⁷. Industry statistics told the tale – while college bookstores had once generated almost 100% of their sales from textbooks, course materials were now accounting for a shrinking percentage of total sales: 57% in 2009, 56% in 2010, and 54% in 2011. At one university textbooks accounted for only 36% of sales, and were projected to drop to between 20 and 25% in the next five years²⁸.

“I’m a buggy-whip salesman,” said one bookstore manager. “I personally believe that the textbook in its current incarnation is as obsolete as buggy whips that people used to steer when we had horses and carriages”²⁹.

Some stores had responded to change by reinventing themselves, in some instances even dropping the term “bookstore” from their names and focusing on branded merchandise (like t-shirts and hoodies) and food and convenience store products.³⁰ Such strategies appeared to enjoy the support of the NACS, which reminded college bookstores that “the traditional main source of revenue has leveled out, and we realize that in the future it will decline... shift from being a book store to a campus store in the broadest sense of the phrase”³¹.

The reason behind bookstores’ declining textbook sales seemed obvious – students now had more alternatives than ever to the traditional campus bookstore experience.

Electronic Options

The most prevalent of these alternatives was the electronic textbook, or e-book, which was essentially a digital version of a printed book. Students typically purchased e-books either directly from the publisher or from an online retailer like Amazon or Indigo, completely bypassing the bookstore.

²⁵ Jeffrey Young, *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

²⁶ Teresa Smith, Vice President and Chief Financial Officer, Tallahassee Community College, in *A New Chapter for Campus Bookstores*

²⁷ DeAnn Hazey, Executive Director of NACS quoted by Jeffrey Young in *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

²⁸ Mark Athitakis, *How College Bookstores Are Killing College Bookstores*

²⁹ Liz Hale, manager of bookstore services at Bellingham Technical College, quoted by Jeffrey Young in *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

³⁰ Jeffrey Young, *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

³¹ Mark Athitakis quotes the NACS White Paper *Defining the College Store of 2015* in *How College Bookstores Are Killing College Bookstores*

Given that e-books eliminated traditional printing, inventory, and shipping expenses they could be sold at lower price points (sometimes for up to half of the price of a print version) and thus were attractive to the price sensitive student consumer. Some, like Cindy Clarke, a senior vice president at CourseSmart, felt that e-books were the future:

“Almost 75 percent of students believe that [ten years from now] e-textbooks will be used more than print textbooks... It's happening, and I believe it will start to happen more and more exponentially”³².

Other approaches were more novel. Boundless³³ offered “Cloud Powered Education” that focused on providing low cost alternative textbooks that sought to match the content of standard textbooks but at a fraction of the price (e.g. a standard text priced at \$175 might have an alternative offered at \$20). Flat World Knowledge³⁴ offered over 100 online texts priced at \$20 with the option for professors to customize a text to meet the needs of their respective courses (Appendix 6)³⁵.

One alternative didn't involve the sale of textbooks at all – Open Educational Resources (OERs) were texts developed by academics (many of whom were supported by educational foundations) that were released under Creative Commons licenses and thus were free to access, use, and in some cases modify. Rice University's OpenStax College³⁶ was seen as a groundbreaker in this area, who by 2014 offered 13 college level texts that were peer-reviewed, standardized in format, and accompanied by course support materials – all accessible online and free of charge. Many industry watchers wondered if this might be the disruption to upend the publishing industry, especially after the Affordable Textbook Act was introduced in the US which sought to provide grants to programs intending to develop open texts³⁷. “The educational materials and publishing industry in five to ten years will be completely remade,” said Richard Baraniuk, founder of OpenStax College, “Just as the music industry, the newspaper industry and the computer software industry were completely remade by the internet”³⁸.

And yet other commentators felt that the whole digital text “revolution” was really nothing more than a flash in the pan. While e-books had surged in the consumer marketplace to capture almost 25% of the market and digital texts appeared to be catching on in the K-12 segment, adoption in the collegiate world was slow. One 2013 survey indicated that only two percent of college students purchased all of their books in electronic format, and another indicated that over 75% indicated a preference for print over digital³⁹. According to one bookstore manager, “What I hear more than ‘I want digital’ is ‘I want a better price’”⁴⁰.

³² Quoted by Stephanie Simon and Madeline Will in *Textbook Publishers Revamp E-books to Fight Used Market*. CourseSmart began as an online joint venture of five publishers and is now privately held. It has a catalogue of over 40,000 e-texts.

³³ <http://www.boundless.com>

³⁴ <http://www.flatworldknowledge.com>

³⁵ Jonathan Band, *The Changing Textbook Industry*

³⁶ <https://openstaxcollege.org/books>

³⁷ Ibid. Introduced by two US Senators on November 14, 2013.

³⁸ Quoted by Ioanna Opidee in *College Textbook Forecast: Radical Change Ahead*

³⁹ Alan Martin, *Will the Real Textbook Industry Disruptor Please Stand Up?*

⁴⁰ Estella McCollum, manager of KU Bookstores, quoted by Jeffrey Young in *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

Rental Options

One approach employed by some campus bookstores was to offer students a print textbook rental alternative. Rather than purchasing a course text, the student would pay a one semester rental fee (significantly lower than the purchase price of the book) and return it to the bookstore at the end of the course. In most instances the bookstore would require a student's credit card number, thus mitigating the risk of them returning a damaged book, or no book at all (the store would simply charge the student the full cost of the book). There were, however, risks that bookstores with rental programs could not avoid:

- In order to ensure profitability a book typically had to be rented at least twice. This presented a problem for texts that changed editions frequently (e.g. some texts issued new editions annually and some even more often).
- Textbooks bundled with computer media or online access passwords (for textbook support websites) were generally not rentable.
- Professors represented a significant risk in terms of the extent to which they readopted a text semester over semester or year over year. A professor who changed texts or editions frequently generally made for an un-rentable inventory of texts, leading some renting institutions to seek a three or four semester commitment by faculty to their selected texts⁴¹.

Several rental alternatives existed that completely bypassed bookstores altogether. Companies such as Chegg⁴² and Amazon⁴³ offered students the option of renting their books for periods of 30 to 180 days – no revenue went to the campus bookstore, and while publishers benefitted from the initial sale of a book, subsequent rentals kept them from earning revenue on the sale of new copies⁴⁴.

One interesting arrival on the rental scene was Packback⁴⁵. Founded by two entrepreneurial students at Illinois State University in 2013, Packback offered e-books like other companies but operated more like an on-demand movie service. Recognizing that many students only dug into a textbook days (or perhaps even hours) before a test or exam, the company provided access to approximately 5,000 texts for 24 hour rental periods, typically at \$5 or less⁴⁶.

Some analysts considered textbook rental to be a strategy that would truly transform the higher education textbook publishing segment. As one pundit claimed,

“Rental does more than just drop the price of the physical book by more than half, it also forces digital players to completely reconsider how they can even offer digital products competitively when the existing technology, the physical textbook, costs less than half what it did when digital began its march, and looks like it will maintain that price point indefinitely... Rental has changed the economic reality of the textbook industry and students are the ones walking away with the big win”⁴⁷.

⁴¹ Tim Goral, *A New Chapter for Campus Bookstores*. Adoption of new editions is pushed from the publisher to the bookstore regardless of the preference of the professor. When new editions are published old editions are often not available to professors or bookstores.

⁴² <http://www.chegg.com>

⁴³ <http://www.amazon.com>

⁴⁴ Jonathan Band, *The Changing Textbook Industry*.

⁴⁵ <http://www.packbackbooks.com>

⁴⁶ Ioanna Opidee, *College Textbook Forecast: Radical Change Ahead*

⁴⁷ Alan Martin, *Will the Real Textbook Industry Disruptor Please Stand Up*. For clarity, when Martin states that physical textbooks cost “less than half” of what they did when e-books first appeared, he’s referring to the rental price.

Others, however, lamented the idea of leasing a text for a short period of time, seeing it as an abandonment of the bond that can form between a human being and the written word. Mark Sample, an English professor at George Mason University, stated that “as somebody who reads and loves books, I hate the idea that students will just be renting a book. I worry that students won’t connect as much with a book they know they have to return”⁴⁸.

Used Textbooks

The option of purchasing previously owned textbooks had seemingly existed for as long as students had pinned ads on bulletin boards to advertise their old texts. With the advent of social media the practice jumped online and operated as a truly free market with each seller setting his or her own price on each book offered for sale. The end result was a marketplace in which used books approached 10% of total consumer spending on books⁴⁹.

Some of the big book retailers like Amazon had gotten in on the act, and many college bookstores sold used textbooks as well, and in quantity – for example, in 2013 the U.S. College Store Industry Financial Report indicated that new book sales were approximately 2.5 times the amount of used book revenue in college book stores, with a new units to used units ratio 1.7 to 1⁵⁰. Yet the process employed to facilitate sales was somewhat more complex than the tried and true bulletin board note – a store endeavoring to sell used product had to (a) acquire used texts at a price the store manager deemed to be equitable, (b) maintain an inventory of used product, and (c) sell the used texts at a price lower than that charged for new texts and yet sufficient to generate an acceptable return for the store. If a book store managed the process effectively significant profits could be generated from used book sales – up to a 34% gross margin⁵¹ versus the 22% gross margin typically generated by new textbook sales. Yet there were also risks entailed in the sale of previously owned books, and some analysts saw the “used option” as limited at best:

“There are multiple factors that limit the total market for used textbooks. Faculty must agree to use the same title from year to year, adoptions must be received in time for stores to obtain used texts; and there [must] be sufficient new text sales of the desired titles to come back into the market as used books. While there are basic courses that fit this model, if all college course offerings are considered, it is easier to see where used books could not be a significant option”⁵².

Other Options

A few other alternatives existed when it came to accessing textbooks. Some college bookstores were experimenting with on-demand textbook printing done right in the store itself. Such was the case at the University of Kansas bookstore which had partnered with Hewlett-Packard and installed high end printing machines that could produce an entire book in about ten minutes. The store put the machine on display so that students could watch the printing process unfold. “It’s kind of like watching a Krispy Kreme doughnut being made. It’s fascinating,” said the bookstore’s manager. The process enabled the

⁴⁸ Quoted by Mark Athitakis in *How College Bookstores Are Killing College Bookstores*

⁴⁹ Tzu-Chen Huang and Yi-Ling Yang, *The Growing Market in Used Books*

⁵⁰ National Association of College Stores, *Higher Education Retail Market Facts & Figures, 2013*

⁵¹ Tzu-Chen Huang and Yi-Ling Yang, *The Growing Market in Used Books*

⁵² National Association of College Stores, *Higher Education Retail Market Facts & Figures, 2013*

bookstore to avoid the risks associated with ordering and holding textbooks that might not sell, and to reduce the price per copy in some cases by almost \$40⁵³.

Yet, for some students any price, reduced or not, was too much to pay for a text and thus they pursued other “free” options that ranged from simply borrowing textbooks from friends or the library, to downloading “pirate” copies from illegal download websites. Each tactic carried with it some risk to the student – for the borrower, the text might not be available when needed (or at all), leaving the student high and dry when studying for an exam or preparing an assignment. For the illegal downloader there was the risk of prosecution – up to \$5,000 in fines for being found guilty of downloading copyrighted materials – although the chances of being caught and convicted in Canada were relatively low⁵⁴.

Contemplating the Bookstore’s Story: Amy’s Ideas

As Amy considered the bookstore and what the future might look like, she had a few ideas she thought might be worthy of consideration.

Used Book Sales

Amy knew that many university bookstores purchased used texts back from students to offer for sale in the next semester. The advantage seemed obvious – textbooks that were in good condition could be purchased for a fraction of their original price (say 30%) and then resold at 60-70% of the original price. Students who didn’t want to keep their textbooks had an outlet to get rid of them while generating some cash while the university eliminated shipping and handling charges typically applied by publishers. The challenge, thought Amy, lay in being able to determine what books would be immediately salable. Some courses were not offered every semester, and professors would often require new editions of a text. Without that information in hand as students offered their textbooks for sale, the bookstore ran the risk of purchasing used texts that no one would want and end up carrying a burgeoning inventory of old, useless books.

Amy knew that for some years the university’s student Business Society had operated a used book sale at the beginning of each semester. The Society accepted books for sale on a consignment basis, and while she knew they had always generated a profit, they had also accumulated piles of obsolete and unsalable books that were taking up space in their storage closet. Amy also knew that there were a number of options available to students for the purchase of used texts, ranging from formal (e.g. Amazon, Atlantic Textbook Recyclers, etc.) to informal (e.g. students posting used books for sale on bulletin boards or social media sites).

E-Commerce

Amy was under no illusion that the bookstore was anything other than a traditional retail store, requiring customers to physically visit the operation in order to make their purchases. In an age characterized by pervasive information technology she felt that this fact was fast making the store obsolete. As part of her studies in business she had explored the concept of a multi-channel retail model and the impact this was having in the marketplace. She remembered that on-line options typically don’t cannibalize in-store sales, but rather add new consumers and therefore additional revenue. If an online

⁵³ Estella McCollum, manager of KU Bookstores, quoted by Jeffrey Young in *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

⁵⁴ Frances Woolley, *When the Textbook Industry Goes the Way of the Music Industry*

presence could drive student traffic into the bookstore, it would be the non-textbook product lines that would benefit.

An online presence could also allow purchases by off-campus consumers, like parents and grandparents looking for branded gifts. This market was largely untapped since it required the purchaser to be in the store to browse the product. While she was aware that online sales were still only 6.5% of the total retail market, that percentage was steadily increasing. She knew that other university bookstores enabled purchases to be made online via a secure website. Her preliminary research put the cost of such a system between \$10,000 and \$13,000 with monthly usage fees ranging from \$750 to \$950. Could the cost of additional software be justified by potential increases in sales both online and in store?

Technology Options

Amy was well aware that many textbooks were offering the option to avoid physical books altogether in favour of electronic versions, or e-books, which could then be read on an e-reader or tablet computer. In some cases students were avoiding the bookstore altogether and purchasing e-books directly from the publisher, typically at a substantial discount. Some publishers, however, provided access codes that could be sold to students via the bookstore. Amy had wondered whether some kind of access / e-reader combination deal might work at the bookstore, providing the student with both content and the hardware to read it in a one stop shopping experience. Shifting to e-books would certainly save the bookstore the many of the costs associated with acquiring and managing inventory, yet the acquisition and support of technology products, not to mention the marketability of such products, represented a significant unknown.

Textbook Rentals

The idea of renting textbooks was one that Amy found intriguing. Students would pay a fee to use a text and be contractually obligated to maintain it in good condition and return it to the bookstore at the end the semester so that it might be rented out again. But while she felt that the option might be viewed by students as attractive, she wondered if the same challenges associated with the trade in used textbooks might not also be faced in the rental business.

Writing the Future

Amy sighed when she considered the data in front of her. She knew from conversations with students, as well as her own recent experience as a student, that the word “textbook” might well be substituted with the word “rip-off”. She was concerned that the store might be tarnished by factors beyond her control, and come to be seen as a place where the prices on everything were just too high. She thought about one article she had read about another bookstore’s experience where the manager had said, “We get a lot of bad press – the mean nasty money-grubbing bookstore... but the margin on textbooks is one of the lowest margins around”. Amy smiled slightly as she recalled that the manager had stated that – in terms of profit margin – she did better selling chips⁵⁵.

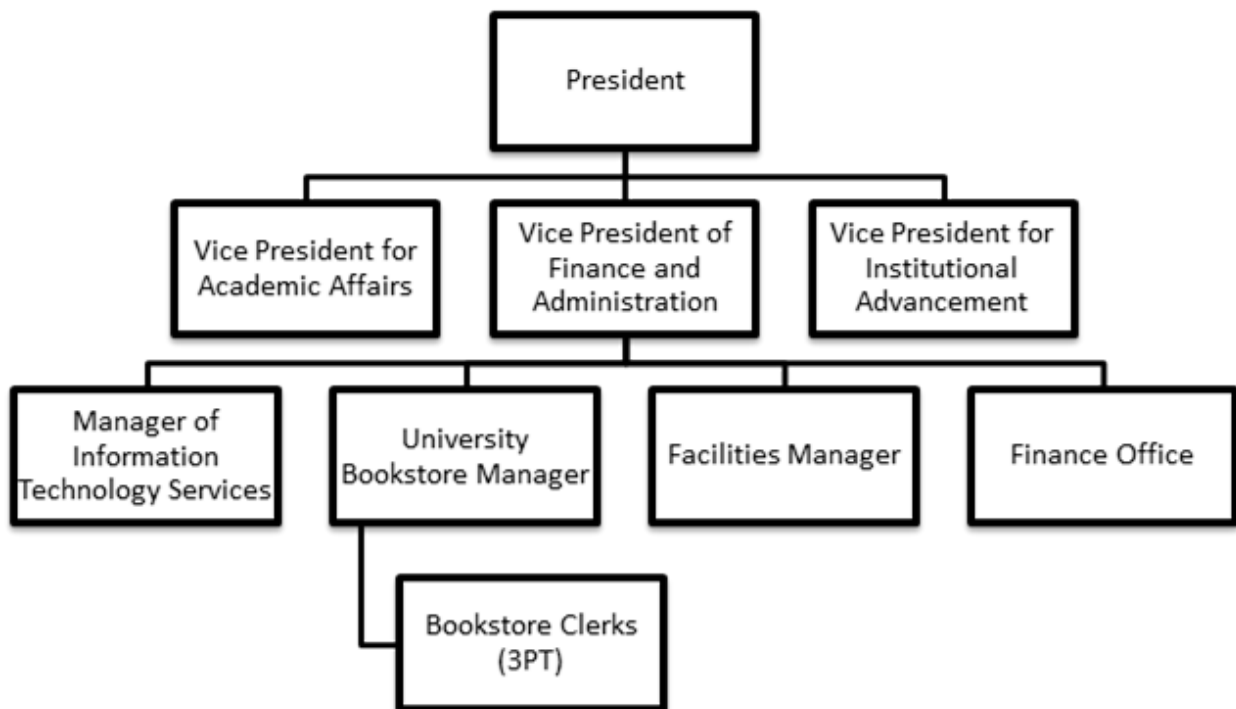
She knew that there were many opportunities that might be pursued going forward, but a hurried fragmented approach would not lead to an optimal strategy. The long-term planning that she was now responsible for would require balancing the needs of many stakeholders in an industry that was changing

⁵⁵ Liz Hale, manager of Bellingham Technical College’s bookstore, quoted by Jeffrey Young in *As Textbooks Go Digital, Campus Bookstores May Go Bookless*

at an unprecedented rate. Was there a way to satisfy the student customer and support the academic programs of the university?

“There has got to be a way to operate this business profitably,” Amy thought. “I feel like I’ve got all of the information I need right here... I just need to make sense of it.”

Appendix 1: Crandall University Partial Organization Chart



Appendix 2: Job Description and Specification

UNIVERSITY BOOKSTORE AND ACCOUNTS PAYABLE MANAGER

JOB SUMMARY

The University Bookstore and Accounts Payable Manager is responsible for the operations of the University Bookstore so that it supports the academic programs of the University, provides service to the campus community as a convenience outlet and the primary outlet for Crandall University clothing and memorabilia, and capitalizes on opportunities to provide the public with Christian books, literature, and other goods. The individual is also responsible for ensuring the timely and accurate recording and payment of invoices related to the University operations. The duties of the University Bookstore and Accounts Payable Manager will include bookstore tasks related to day-to-day operations such as pricing, shelving of merchandise, layout and design, purchasing new merchandise, managing of student and part-time staff, preparation of cash/sales reports, and year-end inventory. This person will also function as the primary salesperson for the Bookstore and train part-time staff. As the Accounts Payable Manager, the tasks will include the processing of vendor invoices and the payments to vendors for goods/services received. It also involves the balancing of vendor statements to ensure all invoices are recorded and paid in a timely fashion.

The position of University Bookstore and Accounts Payable Manager reports directly to the Vice President for Administration and Finance.

JOB DIMENSIONS

1.0 University Bookstore

1.01 Maintain and purchase product available in the Bookstore

- 1.01.1 Responsible for the preparation and placement of all merchandise orders.
- 1.01.2 Responsible for identifying new market opportunities and targeted merchandise (eg. Crandall products, school supplies, etc).
- 1.01.2 Responsible for ensuring accuracy and quality of product received and recording receipt of merchandise into inventory system.
- 1.01.3 Responsible for pricing and shelving of all merchandise.
- 1.01.5 Responsible for the completion of year-end inventory including counting and reconciling to inventory system.

1.02 Textbook orders

- 1.02.1 Responsible for communicating with faculty regarding timing of textbook orders.
- 1.02.2 Responsible for ordering all textbooks for all academic programs.
- 1.02.3 Responsible for ensuring textbooks are received on a timely basis for each semester.
- 1.02.4 Responsible for return of unused textbooks to ensure maximum refund capability.
- 1.02.5 Responsible for identifying and implementing new procedures to textbook orders including the possibility of used textbook inventory.

1.03 Maintain appropriate records and correspondence for the Bookstore

- 1.03.1 Prepare deposits and cash/sales reports and ensure delivered to appropriate departments in a timely fashion.
- 1.03.2 Respond to inquiries regarding the bookstore whether internal or external.

1.04 Other duties of the Bookstore

- 1.04.1 Responsible for Bookstore sales, both acting as the lead salesperson and supervising part-time sales staff.
- 1.04.2 Responsible for hiring, training, supervision of part-time/student sales staff.
- 1.04.3 Responsible for all advertising related to the Bookstore including sales.
- 1.04.4 Responsible for store layout and design.
- 1.04.5 Responsible for maintaining cleanliness and proper presentation of the bookstore.

- 1.04.6 Responsible for the continuous improvement of the bookstore, monitoring trends, needs, etc to ensure continued success and fulfillment of Crandall University's mission.

2.0 Accounts Payable

- 2.01 Responsible for processing purchase orders from all departments ensuring proper authorization and allocation to accounts.
- 2.02 Responsible for the maintenance of a master record of issued purchase orders.
- 2.02 Responsible for maintaining vendor masterfile in accounting system.
- 2.03 Responsible for preparing all supporting documentation, getting approval of and processing of all vendor invoices. Ensure processing is done on a timely basis.
- 2.04 Responsible for determining the applicable tax treatment of all invoices ensuring proper allocation to the various general ledger accounts.
- 2.05 Responsible for preparing all vendor cheques on a regular basis (approx. bi-weekly) including taking all available discounts and ensuring no double payment of invoices.
- 2.06 Responsible for reconciling vendor statements to the accounts payable sub-ledger on a regular basis. Includes contacting departments as necessary to acquire proper information for processing; obtaining missing invoices from vendors; and ensuring no service charges are accruing.
- 2.07 Responsible for preparing internal cheques on a weekly basis or when requested by the Vice President for Administration and Finance.
- 2.08 Responsible for the proper distribution of cheques to the appropriate personnel or vendors.
- 2.09 Responsible for communicating with departments regarding policies and procedures around accounts payable including the use of purchase orders and cheque requisitions.
- 2.10 Responsible for maintaining personal information and contracts for part-time faculty.
- 2.11 Responsible for preparing and distributing payments of part-time faculty contracts on timely basis.
- 2.12 Responsible for maintaining proper accounting records for payables, in an organized method, for the use of the Administration and Auditors.
- 2.13 This position will have bank and signing authority as approved by the Board of Governors to facilitate the payment of accounts as requested

3.0 Other duties related as may be assigned from time to time by the Vice President for Administration and Finance.

POSITION SPECIFICATIONS

- | | |
|----------------------|--|
| Education: | University Degree
Bachelor of Business Administration, preferable |
| Experience: | At least five (5) years of experience as a manager or assistant manager in a retail setting
Experience in accounts payable is considered an asset |
| Qualities/
Skills | Excellent interpersonal skills
Excellent organizational skills
Excellent communication skills (written and verbal)
Demonstrated problem solving skills
Demonstrated management skills (plan, organize, evaluate, motivate staff)
Computer skills in Microsoft Word and Excel
Proven ability to multi-task
Understanding of confidentiality and privacy rules
Ability to work independently and as part of a team |
| Other: | Overtime may be required at peak times of the year |

Appendix 3a: Bookstore Financial Results

Crandall University Bookstore							
Bookstore Financial Results - for Internal Use Only							
	Budget	Unaudited	Audited				
	2015	2014	2013	2012	2011	2010	2009
Revenue	310000	313045	267851	348912	335604	350324	362308
Purchases	245000	263191	235809	284391	271218	304197	305873
Write-offs					14819	11346	
Net	65000	49854	32042	64521	49567	34781	56435

Appendix 3b: Bookstore Product Line Sales Report

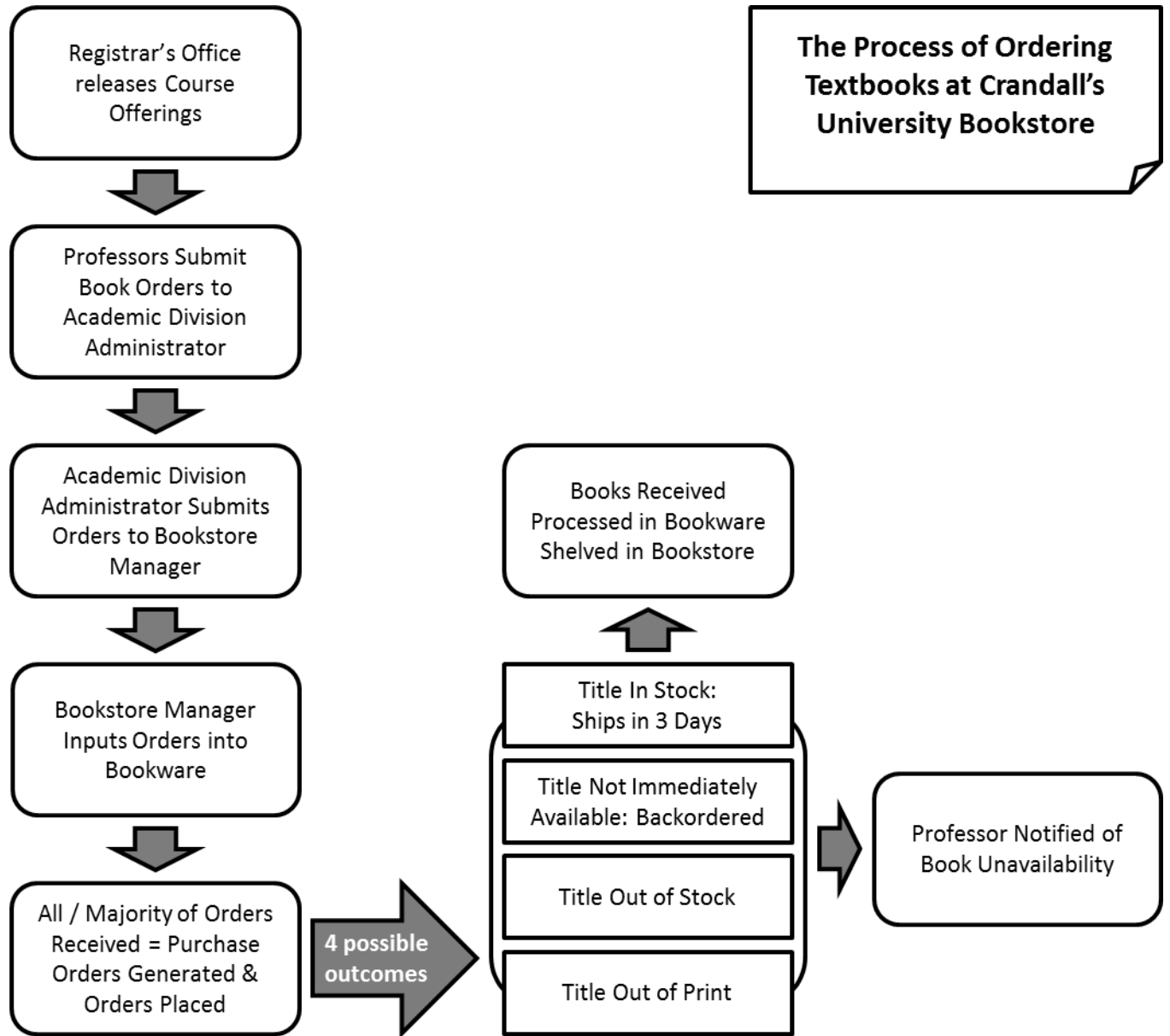
Product Line Sales Report					
July 1, 2013 - June 30, 2014					
Unaudited					
	Sales	Discounts	Cost*	GP\$	GP%
Café	3744	0	0	3744	100.00%
Textbooks	272,275	803	210,545	60,926	22.44%
Bible Society	12,565	841	8,281	3,443	29.37%
Branded Apparel	12,214	906	10,044	1,264	11.18%
Miscellaneous	1,884	264	1,574	46	2.82%
Branded Non-Apparel	2,292	120	1,662	511	23.50%
Convenience Items	2,602	39	1,959	603	23.54%
CD's	439	48	309	82	20.99%
Stationary	473	0	457	16	3.38%
Grocery	2,417	112	755	1,550	67.24%
Convenience-Beverage	2,032	0	1,519	513	25.26%
Convenience-Food	109	0	68	41	37.34%
Total	<u>313,045</u>	<u>3,134</u>	<u>237,172</u>	<u>72,739</u>	<u>23.47%</u>

*Costs are reported at invoice only. Additional amounts including shipping, taxes, duty, etc. are added to the general ledger at the time this invoice is recorded.

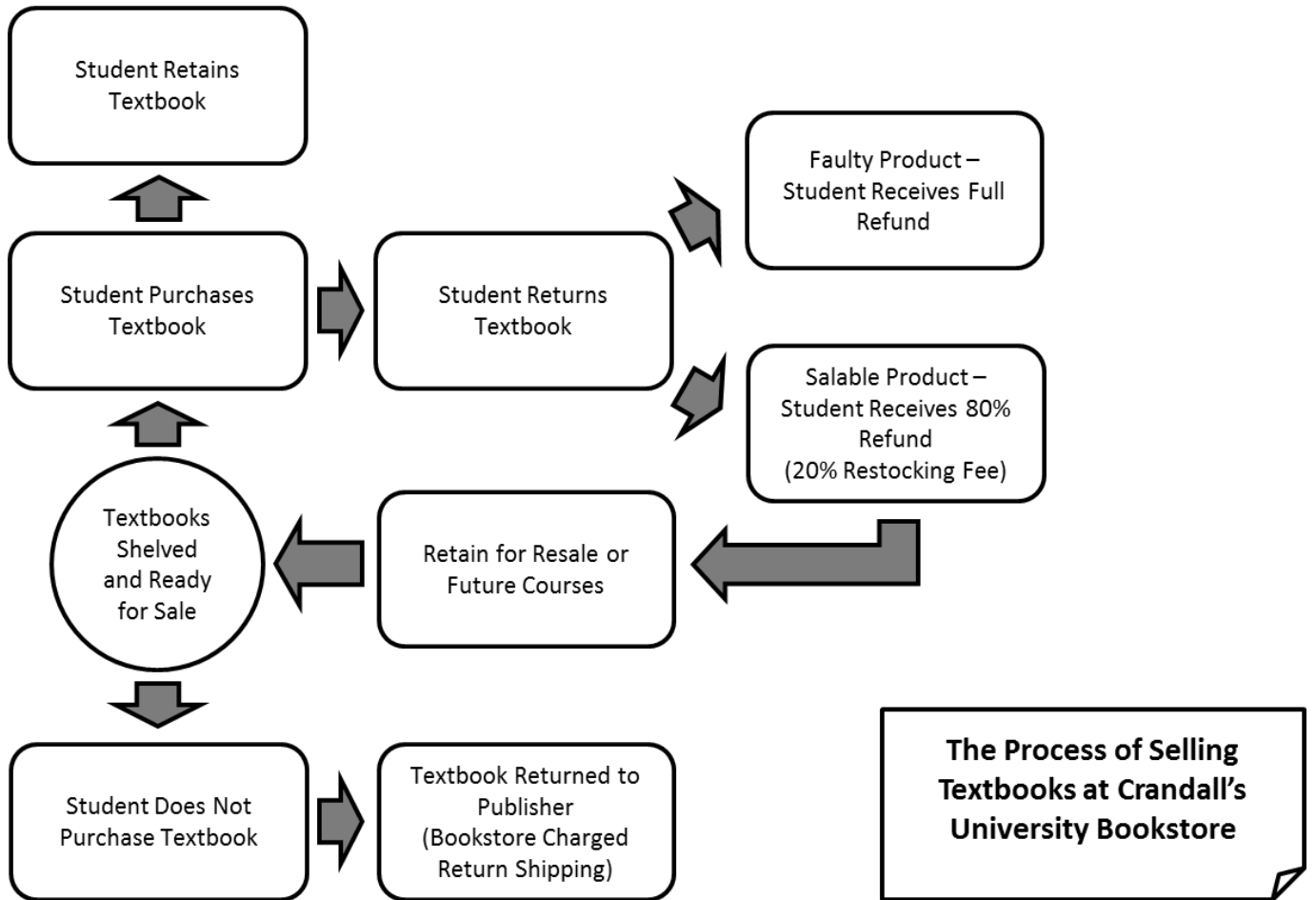
Appendix 3c: Bookstore Textbook Acquisition Rates

Textbook Acquisition Rates By Discipline Academic Year 2013-14		
	Fall	Winter
Science and Math	48.4	54.5
Business	59.6	49.1
Arts	66.8	60.6
Social Sciences	56.6	63.4
Education	60.5	68.0
Religious Studies	68.5	66.6
Average all disciplines	60.1	60.4

Appendix 4: Book Inventory Management



Appendix 4: Book Inventory Management



Appendix 5: Undergraduate Perceptions of Textbooks

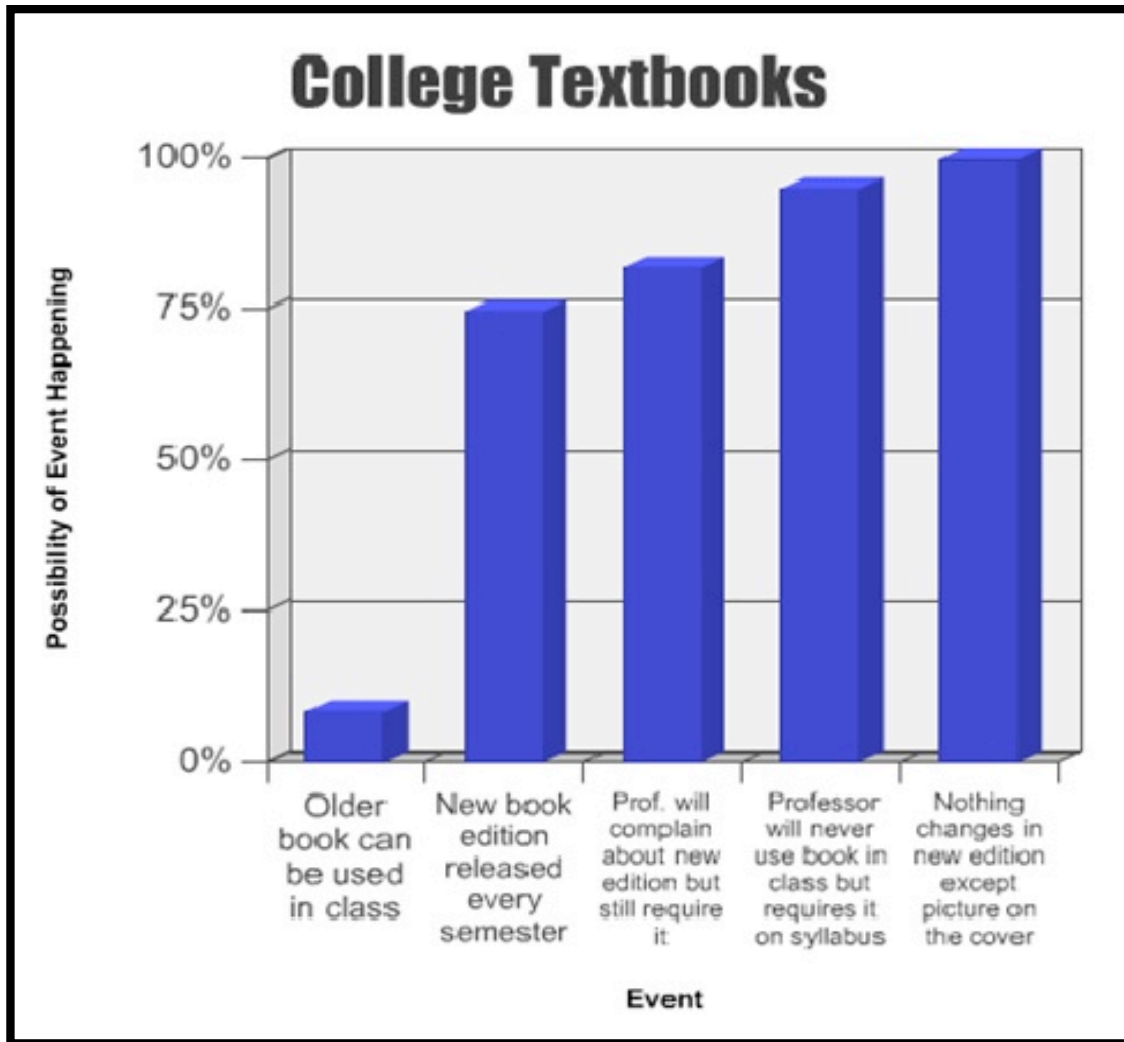
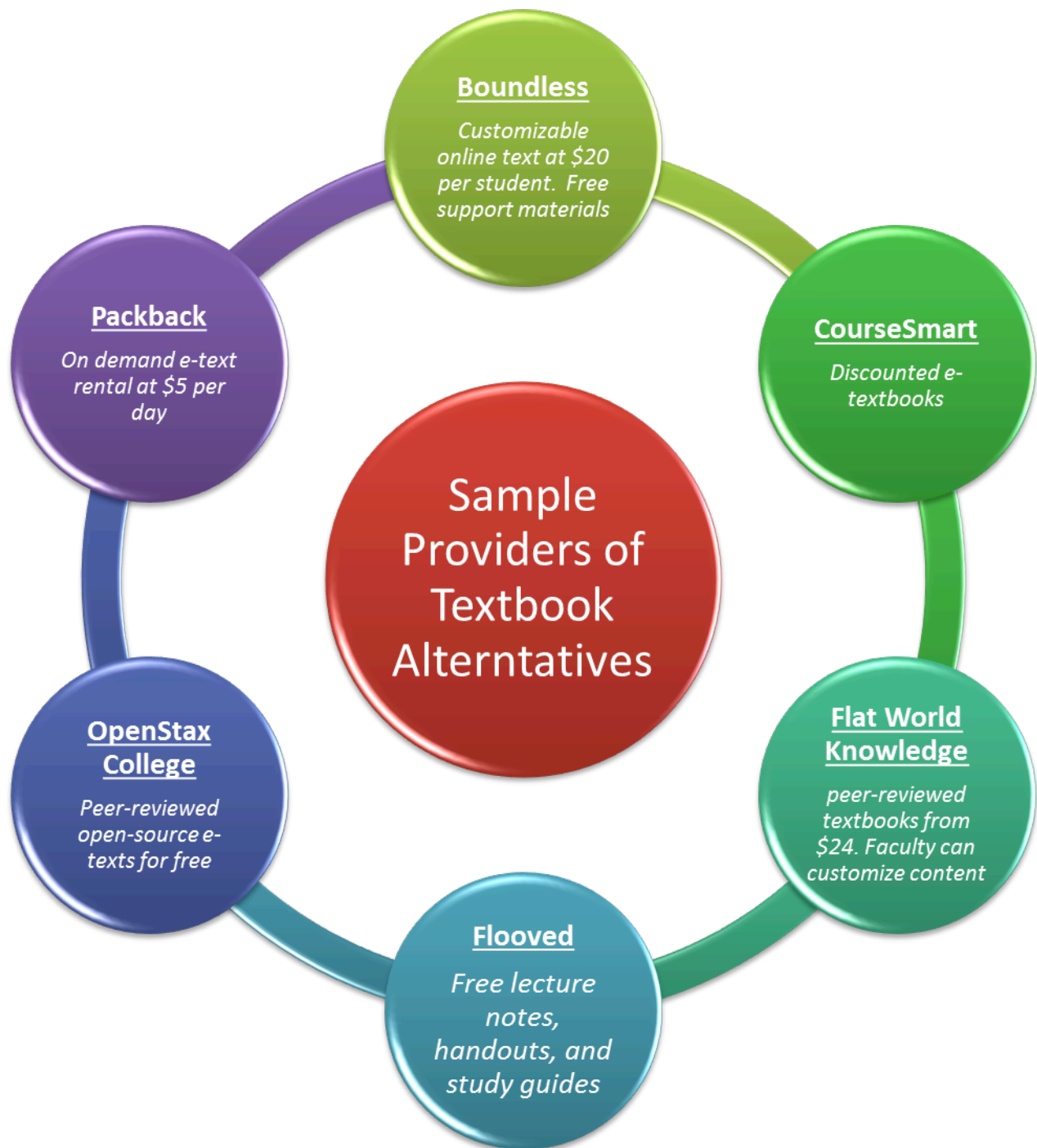


Exhibit 1: Undergraduate Perceptions of New Textbook Editions (Ishamchuk, 2009)

Appendix 6: Players in the Alternative Textbook Market⁵⁶



⁵⁶ Ioanna Opidee, *College Textbook Forecast: Radical Change Ahead*

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**Authors Of Our Own Misfortune?
Crandall University Bookstore Writes Its Future**

Instructor's Manual to the Case

Case Summary

Newly hired Bookstore Manager Amy Pattison is faced with the challenge of developing a strategy for the Crandall University Bookstore. The environment in which the independent campus retailer operates has changed substantially, and faced with an eroding traditional customer base and competition from non-traditional players, she must assess the state of her store and its future viability.

Teaching Objectives

Authors of Our Own Misfortune? is targeted at senior undergraduate, graduate, or executive business students in management accounting or strategy related courses. The case characteristics fit stages 5/6 of Bloom's Cognitive Taxonomy (synthesis/evaluation), challenging the student to diagnose the nature of the decision and determine models/theories useful to the development of analysis/recommendations. Topics covered by the case include:

- (1) Organizational decision-making
- (2) Decision making in markets negatively impacted by technology

Specific teaching objectives include:

- (a) Strategic management of an enterprise in a changing industry
- (b) The examination of an entrepreneurial enterprise in a not-for-profit setting
- (c) Development of objective decision making criteria in light of identified goals, objectives, and available resources

Basic Pedagogy

Authors of Our Own Misfortune? places the student in the same position as the narrative's decision maker and presents actual information without the intent of simplifying the case solution or directing the path of analysis taken by the student.

Course: The case is recommended for use courses in Strategic Management / Business Policy and Managerial Accounting.

Level: The case is recommended for use at the senior undergraduate, graduate, and executive levels.

Prerequisites: Students should have a reasonable understanding of industry, financial statement, and strategic analysis.

Theoretical Linkages

- Industry Risk Assessment
- Distinct Competencies as Sources of Competitive Advantage
- Quantitative versus Qualitative Factors in Managerial Decision-Making
- Evaluation of Strategic Alternatives

Research Methodology

Primary research for the case included interviews with the case principal and the examination of internally produced financial information from Crandall University and the Crandall University Bookstore. Secondary research involved the consultation of industry reports and other publications that were used to advance the narrative and support the Instructor's Manual. It should be noted that both authors are faculty members at Crandall University, and that a signed permission and release form has been completed that discloses planned uses of the case. An additional release form has been signed for the purpose of submission to the ASAC 2015 Conference and is included as part of this document (Addendum).

Suggested Questions for Student Assignment

1. **In terms of risk, how would you characterize the industry in which the Crandall University Bookstore operates?**
2. **Does the University Bookstore possess any distinct competencies that might enable it to take advantage of market opportunities and stave off threats within its industry?**
3. **Some analysts are forecasting the imminent demise of the campus bookstore. In what ways is the Crandall University Bookstore dissimilar to others in the industry? How will this impact Amy's decisions regarding the store's future?**
3. **As the case draws to a close Amy is considering different ideas regarding what the future of the Bookstore might be like. Consider the options she presents and comment on their potential for success. Are there other alternatives she might consider?**

Suggested Responses

1. **In terms of risk, how would you characterize the industry in which the Crandall University Bookstore operates?**

The narrative includes information regarding the operation of college bookstores with particular attention paid to the acquisition and sale of textbooks which make up a substantial (though declining in many cases) portion of bookstore revenues. Fundamental to developing strategy for the Crandall University Bookstore is an understanding of the industry environment and in particular what risks exist. Porter's Five Forces Analysis provides an excellent framework for exploring these risks, and it is expected that all students will have a rudimentary understanding of the model.

We have chosen to render the analysis using a quantitative risk rating assigned to each sub-factor of a given force, where a score of 0 represents no risk, 1-2 low risk, 3 moderate risk, and 4-5 high risk. The ratings are then averaged to provide an Overall Risk Rating associated with the force in question. Student results may differ significantly depending upon what sub-factors they choose to consider and the relative risk they associate with each, although we submit that the overall resultant industry risk profile should appear at least somewhat the same given the data included in the narrative.

One thing to watch for in student results is how they define the dimensions of the industry, which we define as the retail textbook marketplace. Given the importance of textbook sales to the store's revenue picture, particular attention must be paid to textbook sales in campus bookstores, and this is reflected in the following analysis. Some students may be tempted to go further and consider other product categories – this however would go beyond the information provided in the case and require supplementary research. Students should also avoid the trap of analyzing the publishing industry – while this would be an interesting case study in itself, it is not the purview of this particular narrative. Publishers are, however, of particular interest, given that while they function as suppliers, several may also be characterized as competitors as they cut out market intermediaries and deal directly with the student consumer.

Industry Rivalry

Industry Rivalry	
Industry growth rate	5
High fixed cost	4
Intermittent overcapacity	5
Product differences	5
Brand identity	4
Switching costs	5
Informational complexity	3
Concentration and balance	4
Industry commitment	4
Exit barriers	4
Overall Risk Rating	4.3

Not surprisingly the analysis illuminates an industry characterized by a high level of rivalry, in large part because of technological innovation in the delivery of product to the end customer.

Industry Growth Rate: The industry is not in a growth phase – it is mature and demand appears to have flattened. Further, new entrants with innovative delivery channels and new types of products have arrived on the scene. These factors serve to increase rivalry. **High Fixed Costs:** A significant portion of costs within the industry – at least among campus bookstores – are fixed due to the bricks and mortar nature of these operations. Bookstores must therefore pursue volume sales in order to meet operational costs, which drive competition as these volumes decline. **Intermittent Overcapacity:** Given an ordering process that results in physical inventories that must be maintained and the existence of other product alternatives to meet student needs, bookstores may find themselves with excess supply, thus increasing competition for customers. **Product Differences:** It is very difficult for bookstores to compete via product differentiation given that the textbook products carried by the store are determined by professors, and in many cases are the same as products offered for less by innovative competitors. **Brand Identity:** When customers exercise brand preference rivalry is diminished – in this type of market,

however, all indications are that price is the operant dimension in the purchase decision (although there may be some students who feel that the campus bookstore is *the* place where books are supposed to be purchased, who distrust online ordering, who fear that product may not arrive on time, etc.). **Switching Costs:** It is relatively easy for students to switch from the campus bookstore as the vendor for course materials. As mentioned, there may be a risk that a text may not arrive in a timely fashion or be inadequate (e.g. a wrong edition purchased used), however in most cases a significantly lower price will serve to mitigate such contingencies. **Informational Complexity:** Difficult to understand products tend to depress competitive forces. In the case of textbooks students may not have a good understanding of the product required nor of acceptable alternatives (in most cases they will have a syllabus that lists a textbook title – can it be acquired more cheaply? Replaced? Avoided? It is unlikely that the customer can answer these questions alone). **Concentration and Balance:** There are many competitors in the retail textbook marketplace that are hungry for a piece of a multi-billion dollar business. From publishers who are now offering e-books and direct purchasing (completely by-passing their retail partners) to OER’s and rentals the industry is becoming crowded and would seem ripe for a shakeout or disruption. **Industry Commitment:** While market competitors *are* diverse in terms of how they approach the student market, they are effectively all pursuing the same customer (with the exception of the publishers who are much more diversified in their product mix and for whom the higher education market is but a part of their business). **Exit Barriers:** Speaking at least for the campus bookstore – truly a fixture at most universities – leaving the industry is not really an option as they are built into the infrastructure of their parent organizations.

The overall conclusion from this analysis of sub-factors is that the Industry Rivalry Risk Rating is **4.3 or HIGH.**

Threat of New Entrants

Threat of New Entrants	
Economies of scale	2
Proprietary product differences	3
Brand identity	3
Switching costs	4
Capital requirements	3
Access to distribution	5
Absolute cost advantage	4
Government policy	0
Expected retaliation	3
Industry profitability	4
Stage in industry life cycle	3
Overall Risk Rating	3.1

What threat of new entrants that does exist in the industry takes the form of technological innovators who have developed ways to compete without incurring the bricks and mortar costs associated with traditional players.

Economies of Scale: Historically the industry has been comprised of literally thousands of bookstores locked into a business model that was relatively intransigent. New, innovative competitors appear to be making change, however there is no indication as of yet that a few high volume competitors will emerge to dominate (as opposed to the publishing industry where this *is* the case). **Proprietary**

Product Differences: Products in the industry are somewhat unique, however a level of interchangeability exists for those students willing to pursue alternatives (e.g. OER's, etc.). **Brand Identity:** As mentioned previously university bookstores are centrally positioned within their respective institutions, although students do not appear brand insistent given the numbers who are pursuing alternate textbook sources. **Switching Costs:** Other than the possibility of delivery delays or product mismatch, there are few if any costs associated with customers seeking satisfaction elsewhere. **Capital requirements:** While traditional competitors have a certain level of fixed cost associated with their operations, capital requirements to compete in the industry are decreasing because of innovation (bricks and mortar are no longer required). **Access to distribution:** Once locked up via a traditional model of retail distribution, the arrival of a number of technological innovations have opened the industry for new competitors to enter. **Absolute Cost Advantage:** The continuance of historic relationships with publishers should not be discounted, but these relationships will simply not be sufficient to drive advantage for established competitors (especially now that publishers themselves have become competitors). **Government Policy:** At present there do not appear to be any regulations or policies that protect established competitors by preventing new entrants. **Expected Retaliation:** While limited, campus bookstores are not completely bereft of alternative strategies to respond to competitive pressures – they have the advantage of absolute proximity to most of their customers, and the actions described in the narrative that some stores have taken might be described as retaliatory. At the same time, the fact that suppliers are forward integrating and encroaching on their own customers' customers will be a constraining factor. **Industry Profitability:** While it is true that the market has slumped and that textbook are declining as a percentage of traditional retail sales, there are billions of dollars in sales that might be pursued by innovators. **Stage in Industry Life Cycle:** The industry is mature, but may be ripe for a shakeout or significant disruption.

The overall conclusion from this analysis of sub-factors is that the Threat of New Entrants Risk Rating is **3.1** or **MODERATE**.

Bargaining Power of Customers

Bargaining Power of Customers	
Differentiation of outputs	3
Switching costs	4
Presence of substitutes	1
Industry concentration vs. buyer conc.	2
Importance of volume to buyers	1
Cost relative to total buyer purchases	3
Impact of outputs on cost or differentiation	3
Buyer information about supplier products	1
Buyer profitability	4
Decision maker incentives	0
Threat of backward integration	0
Overall Risk Rating	2.0

Customers are defined as university students requiring course materials – in particular textbooks – for use in their respective courses of study. The total potential size of the market is substantial, consisting of all university and college students (a number in the millions), broken up by school, then by program, and finally by individual class.

Differentiation of Outputs: While it is true that textbooks are be differentiated by subject, the fact that they are available via other outlets makes it difficult for the campus bookstore to differentiate on the basis of product. This is however mitigated by the fact that students will vary in terms of their level of commitment and ability to research other channels and products. **Switching Costs:** As mentioned previously, beyond the possibility of delivery delays or product mismatch, there are few if any costs associated with acquiring product from another retailer. **Presence of Substitutes:** There are few substitutes per se for course support materials like textbooks – a student may choose to forego purchase, but it is unlikely they will seek a substitute. **Industry Concentration versus Buyer Concentration:** The size of the student market is substantial and diverse; further, as the number of alternative retailers grows the industry is becoming less concentrated. **Importance of Volume to Buyers:** Given that most students are in a situation where one (or very few) textbook resources are required per course, volume is not a consideration for the customer. **Cost Relative to Total Buyer Purchases:** As related in the narrative, students are price sensitive and generally have limited financial resources – textbook purchases are relatively significant. **Impact of Outputs on Cost or Differentiation:** Differentiation such as it exists in this market does play a role – students at some level need textbooks (at least their professors think so). They do however have alternatives which serve to mitigate the strength of this sub-factor. **Buyer Information About Supplier Products:** The narrative indicates that students are price driven – it is unlikely that they will otherwise research products (and it is unlikely that they have the expertise at the beginning of a course to make a reasoned decision based on non-price factors). **Buyer Profitability:** While this sub-factor is traditionally associated with actors in a B2B market, at some level it is appropriate in this context. Students may not be “profitable” (especially in an era of debt-financed higher education) however they are price conscious and at least somewhat sensitive to their financial position. **Decision Maker Incentives:** This sub-factor is not particularly relevant given that students are not purchasing agents being remunerated for the quality of their decisions. **Threat of Backward Integration:** Likewise, students are not positioned to integrate backward in the business model.

The overall conclusion from this analysis of sub-factors is that the Bargaining Power of Buyers Risk Rating is **2.0** or **LOW**.

Bargaining Power of Suppliers

Bargaining Power of Suppliers	
Differentiation of inputs	5
Switching costs	5
Substitute products	5
Supplier concentration vs. industry conc.	4
Importance of volume to supplier	5
Cost relative to total purchases in industry	5
Impact of inputs on cost or differentiation	5
Threat of forward integration	3
Overall Risk Rating	4.6

As detailed in the narrative the textbook industry has historically been dominated by four large publishers, the result of consolidation within the publishing industry. While the industry appears poised for a significant shakeout or disruption, the position occupied by suppliers relative to campus bookstores appears firm.

Differentiation of Inputs: Bookstores have little to know control over the textbook products they sell – product decisions are made outside of the operations (i.e. by professors) and with the exception of stores who maintain used inventories, they must purchase what their suppliers have for sale. **Switching Costs:** Switching suppliers is generally not an option – the bookstore must order what a professor has chosen. **Substitute Products:** As mentioned previously, there are few if any substitutes for professor chosen textbooks. The customer may choose forego purchase, but this option is not available to the bookstore. **Supplier Concentration versus Industry Concentration:** The industry has historically been dominated by large suppliers, although the presence of used and rental alternatives is having a mitigating effect (albeit small at this point). **Importance of Volume to Supplier:** In the case of Crandall University’s bookstore, volumes will be small when compared to most other universities with significantly larger enrolments. This diminishes the Crandall Bookstore’s ability to negotiate for supplier concessions. **Cost Relative to Total Purchases in Industry:** Bookstores have little influence over textbook prices regardless of their magnitude / importance to core business. **Impact of Inputs on Cost or Differentiation:** Textbooks play an important role in cost / differentiation given that 87% of Crandall Bookstore’s revenue comes from this product category. **Threat of Forward Integration:** Historically there was little threat that publishers would sell directly to students, however this is beginning to change as suppliers are beginning to embrace innovation to reach the customer without an intermediary.

The overall conclusion from this analysis of sub-factors is that the Bargaining Power of Suppliers Risk Rating is **4.6** or **HIGH**.

Threat of Substitute Products	
Relative price performance of substitutes	1
Switching costs	1
Buyer propensity to substitute	3
Overall Risk Rating	1.7

The threat of substitutes can effectively be defined as the likelihood that students may switch to a product alternative from outside of the industry – a relatively unlikely course of action given the (hypothetically) essential nature of course resource material to the university classroom.

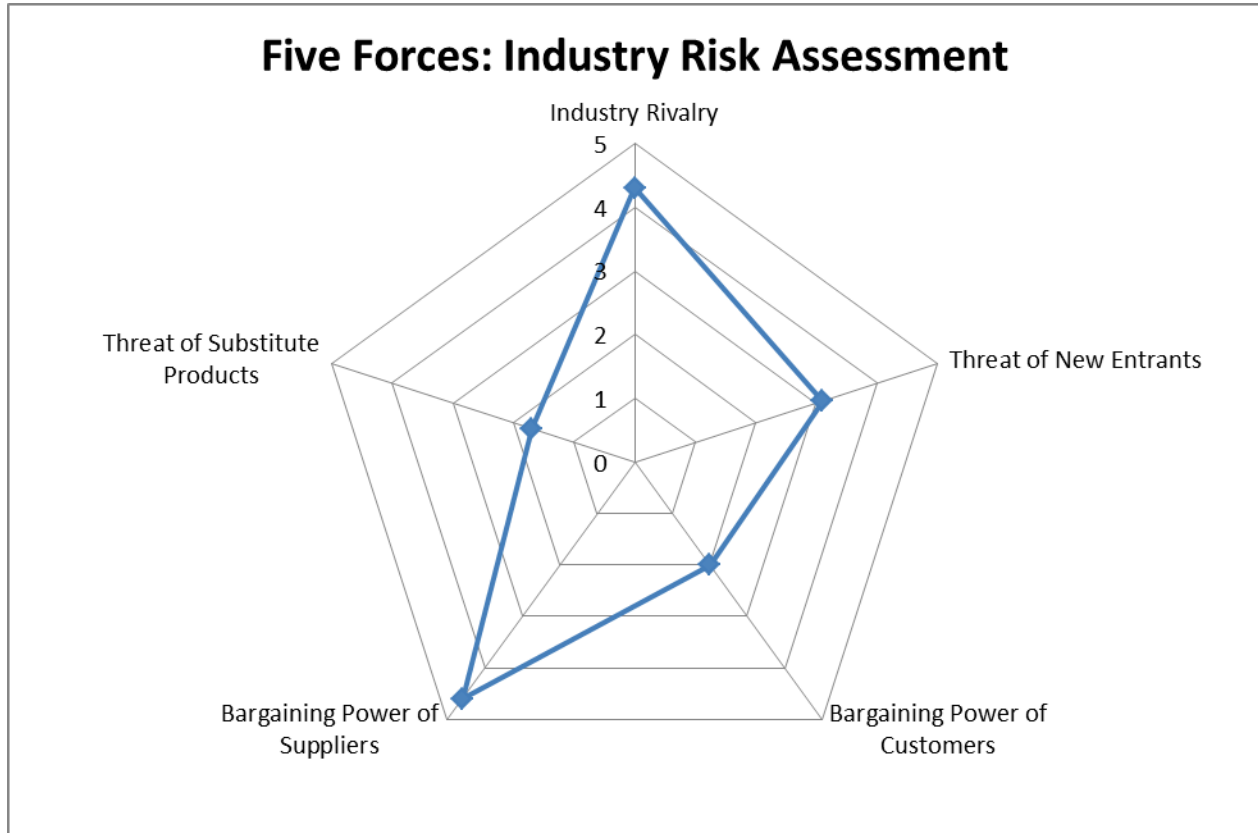
Relative Price of Performance of Substitutes and Switching Costs: Given the relative absence of substitute products these sub-factors have marginal impact. **Buyer Propensity to Substitute:** Given the price sensitivity of students it is possible that they may possess a strong willingness to engage substitutes *if* available.

The overall conclusion from this analysis of sub-factors is that the Threat of Substitute Products Risk Rating is **1.7** or **LOW**.

Conclusion

As the radar plot indicates, the most significant risk factors at play in Crandall University Bookstore’s industry are Rivalry and the Bargaining Power of Suppliers, with the Threat of New Entrants occupying a moderate risk position. As the narrative reveals the industry is becoming increasingly competitive in large part because of new entrants who are exploiting innovation to reach bookstore’s traditional customers (i.e. students) without the cost structures associated with bricks and mortar operations. Bookstores find themselves relatively locked into a traditional model of delivery that gives them very little power over the textbook products they sell. Considering the fact that suppliers themselves

are becoming involved in the retail sale of books using the same innovations being exploited by other competitors, we conclude that the industry is one that is fast becoming less attractive. Crandall University Bookstore should be considering ways in which to diversify its product mix and in so doing mitigate the risk of a deteriorating product category.



2. Does the University Bookstore possess any distinct competencies that might enable it to take advantage of market opportunities and stave off threats within its industry?

While Question 1 seeks to draw the student’s focus to the external environment, this question requires an assessment of the organization’s strengths and weaknesses to determine whether any core competencies exist which are superior to those possessed by competitive forces. A rudimentary identification of strengths and weaknesses might include the following:

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Long operational history within the university ▪ New, larger facility ▪ New, engaged manager (Amy) ▪ New POS system ▪ Basic tracking of consumer behavior (textbooks purchased by student program) ▪ Textbook sales almost 90% of sales 	<ul style="list-style-type: none"> ▪ History of fluctuating financial performance without understanding why ▪ Weak financial reporting system ▪ Inefficient inventory management (Appendix 4) – reliance on “guesstimates” ▪ Limited product offering ▪ Textbook sales almost 90% of sales

Distinct competencies may be defined as core competencies that are superior to those of the competition, while competencies themselves represent capabilities (exploitable resources) that are cross-

functionally integrated and coordinated (Wheelen et. al., 2015). These distinct competencies are sources of competitive advantage for an organization.

The prevailing business model in the retail textbook marketplace is changing. While it might originally have been characterized as an entrepreneurial model whereby specialized products (i.e. course specific textbooks) were offered to market niches (i.e. students enrolled at a particular university) that could not efficiently be targeted by other competitors, the entrance of (a) disruptors who are exploiting new technologies and (b) massive suppliers who are leveraging considerable resources and new technologies as competitors, means that independent operations must now more than ever seek sources of competitive advantage.

While the bookstore's small size and limited resources represent significant sources of constraint, we posit that at least three competencies exist:

- **The Manager:** as the new manager Amy Pattison has demonstrated a sense of responsibility for store performance and the development of a vision for its future operation. She has the benefit of a current business education (i.e. her recent BBA) and does not appear hesitant to wrestle with what data is available to her. She has also sought to go beyond the data being presented to her by the store's POS system by tracking consumer buying behavior by program enrollment.
- **The Retail Operation:** the bookstore's overall retail operation could be considered a competency – it possesses both a new POS system that makes possible greater operational efficiencies and a new, larger facility that creates the opportunity to present more inventory in (perhaps) more creative ways.
- **The Inventory Management Process:** at present this is not a competency as it is being poorly engaged (e.g. the faculty's inability to post book orders in time forcing a reliance on "guesstimates"), but we submit that it could very well become a key strength. Crandall University is a relatively small organization with a limited number of faculty members. There are a number of points in the inventory management process outlined in Appendix 4 that could be "tightened up" which would do much to eliminate process inefficiencies.

Barney's (2002) VRIO framework suggests that distinct competencies may be identified by the extent to which they satisfy the following:

- Value: does it provide customer value?
- Rareness: do no other competitors possess it?
- Inimitability: is it costly for others to imitate?
- Organization: is the firm organized to exploit the resource?

While student opinions may vary, we offer the following table as a source for discussion:

Competency	Value	Rareness	Inimitability	Organization	Distinct Competency
Manager	Yes	Yes	Yes	Yes	Yes
Retail Operation	Yes	No	No	Maybe	No
Inventory Management	Yes	No	Yes	No	No

As manager Amy Pattison would appear to be the only distinct competency the bookstore presently possesses, and as such also represents a source of vulnerability should she decide to leave the operation. Her value to the store is patently obvious, although her rareness and inimitability are perhaps less so. We posit that – given the small size of the university and independent nature of the bookstore operation – there are few competitors poised to provide the customer service and direct, floor-level engagement that she can (e.g. large publishers selling directly to student consumers can offer an inbound call center connection at best). The organization would appear to be using her at least somewhat effectively as a resource, given the latitude she has been given with respect to the operation of the store, though some consideration might be given to the opportunity to foster a greater level of interest in the operation on the part of the VPFA.

Discussions around other competencies might include an exploration of what actions might be employed to help move them to the level of distinct competency, and whether the store can – even with the presence of competitive advantages – survive and / or thrive in the aftermath of the ongoing industry disruption.

3. Some analysts are forecasting the imminent demise of the campus bookstore. In what ways is the Crandall University Bookstore dissimilar to others in the industry? How will this impact Amy’s decisions regarding the store’s future?

There are many ways that Crandall University Bookstore is similar to others in its industry and therefore susceptible to industry changes experienced by its counterparts: pricing structure, gross profit percentage on textbook sales, declining market, and technological advancements. The student should be prepared to factor these similarities into the broader analysis in Question 4. Here, the student is directed to identify the unique characteristics of and opportunities relevant to this bookstore, and to avoid the application of a generalized one-size-fits-all approach. There are significant differences that students should identify including the following:

i. Textbook Sales

Crandall University Bookstore is significantly reliant on textbook sales, more so than others in the industry. Product line gross percentage analysis reveals that textbook sales account for 87% of revenue, considerably higher than the industry average of 54% described in the case.

Product Line Sales Report						
July 1, 2013 - June 30, 2014						
Unaudited						
	% Total					
	Sales	Sales	Discounts	Cost	GP\$	GP%
Café	1%	3744	0	0	3744	100.00%
Textbooks	87%	272,275	803	210,545	60,926	22.44%
Bible Society	4%	12,565	841	8,281	3,443	29.37%
Branded Apparel	4%	12,214	906	10,044	1,264	11.18%
Miscellaneous	1%	1,884	264	1,574	46	2.82%
Branded Non-Apparel	1%	2,292	120	1,662	511	23.50%
Convenience Items	1%	2,602	39	1,959	603	23.54%
CD's	0%	439	48	309	82	20.99%
Stationary	0%	473	0	457	16	3.38%
Grocery	1%	2,417	112	755	1,550	67.24%
Convenience-Beverage	1%	2,032	0	1,519	513	25.26%
Convenience-Food	0%	109	0	68	41	37.34%
Total	100%	313,045	3,134	237,172	72,739	23.47%

The heightened risk created by this high reliance on textbooks should direct students to calculate the potential impact of decreases in this category. A quick calculation would provide the student with concerning evidence that the bookstore’s net contribution would be completely eliminated with an 8% decline in textbook sales, e.g.:

	2014
Revenue	313,045
Purchases	263,191
Write-offs	
Net	49,854
Average Staff salaries*	45,000
	4,854
8% Decline in Textbooks	
CM	4,854
Net CM	0

Not only is this significant due to the heavy reliance on this product line, but it is complicated by recent industry decreases and industry projections. The case quotes alarming industry statistics of an anticipated 20 – 25% decline in textbook sales over the next five years. The current industry average of 54% for this product line reflects a move away from the traditional “bookstore” model to a “campus store” model. Addressing this will require a significant broadening of the vision for the bookstore (the case does suggest that the university is moving in that direction, albeit slowly). Expanded qualitative discussion of this issue is included in Question 3.

ii. Used textbooks

At present, the Crandall University Bookstore provides no used books for sale in spite of industry information that supports this product line. Typically, used book sales amount to approximately 29%* (calculation following) of total textbook sales and provide a higher contribution than new books (new 22% versus used 34%). The positive impact on total bookstore contribution could approach 19% of overall contribution calculated as follows:

*Ratio of used textbooks to new:	1 to 2.5
% Used books to total:	29%

Current Textbook Sales	272,275
Industry Used Sales %	29%
Potential Used Sales	78,960
% Increase in Gross Profit	12%
\$ Increase in Gross Profit	9,475
Total Gross Profit 2014	49,854
% Increase in Gross Profit	19%

iii. Returns and write offs

Of significant impact to the Bookstore’s net contribution are the losses related to returns and write-offs. An interesting trend emerges: losses have only been identified when the Bookstore has undergone significant physical changes (the 2010 move to its new location) or management personnel changes (2011) and the amounts are significant as noted below. This analysis points to worrisome on-going inventory control issues that support Amy’s efforts to better understand student buying patterns. Moreover, with a reported \$5,000 annual cost to ship returns back to publishers, and differences between the general ledger number reported in the unaudited statements and the cost number produced by Bookware, it is apparent that work is still required in the capture of inventory information. The creation of accurate trend data for textbook acquisition rates will help manage this going forward and will be essential if Amy is to be successful stepping into the used market.

	2014	2013	2012	2011	2010	2009
Revenue	313,045	267,851	348,912	335,604	350,324	362,308
Purchases	263,191	235,809	284,391	271,218	304,197	305,873
Write-offs				14,819	11,346	
Gross margin	49,854	32,042	64,521	49,567	34,781	56,435
% Write-offs/GM	N/A	N/A	N/A	30%	33%	N/A

iv. On-line sales

Students may be quick to articulate a preference for on-line sales as a panacea for all things retail, but the reality for the Bookstore (and for many others) is that the cost of these new technologies is often

higher than any potential savings, or in this case additional revenue. Amy's research in this area is very preliminary but still provides enough insight to calculate the financial risk involved. Based on Amy's research, annual software costs plus monthly usage costs, even at the most conservative estimates, amount to \$19,000 requiring a 38% increase in total gross margin – unrealistic in the current circumstances. Moreover, given that the increase in sales and gross margin is likely limited to increases in non-textbook product lines such as branded merchandise, these categories would have to increase more than tenfold in order to support the on-going costs of such software. Finally, the current industry data quoting online sales as a mere 6.5% of total retail sales suggests that while future growth may require review of this decision, it is currently not a feasible option for the Bookstore.

Conclusion

Given that textbooks form a significant category (87%) and therefore a significant risk to the sales of the bookstore, Amy must work to curtail the erosion of the textbook market. The least costly option is the used textbook option. Plans around this however will be hindered to the extent that the university does not administratively support this program. The industry and financial evidence overwhelmingly supports the used market. Given the student population's consistently voiced desire for cheaper textbook alternatives, demand is not at issue. Moreover, it would be virtually impossible to acquire more used books than could be sold. One area of risk that remains at issue is unquantifiable: the risk of potentially acquiring unsaleable books. Any plans going forward will therefore have to include clear parameters around administering the program, but the potential to increase gross profit by 19% provides significant incentive to do so.

Considering the potential for erosion of the textbook market, Amy must consider the financial potential of other product(s). Once again a review of product line information previously calculated will provide Amy with the information to go forward. Two product lines stand out as most significant (albeit small compared to textbooks): Bible Society and Branded Apparel each at 4% of total sales. Bible Society sales provide a healthy margin but management of this product line is largely out of Amy's control. These sales are made on a consignment basis and true to the definition Amy has no input over product selection, pricing or promotion of the product. The well informed accounting student will no doubt balk at the inclusion of the gross revenue and purchases dollars in the University's financial presentation which admittedly is not GAAP, but the amounts are not material and the 2014 numbers are presented as unaudited, so the issue is not relevant to the case.

Branded Apparel surprisingly has the lowest margin of any product line (ignoring the insignificant Stationary category). Here Amy has a monopoly in the market and much discretion over merchandising options. Capitalizing on this position would contribute additional margin to the bookstore and be in keeping with the direction the industry is taking. One untapped market mentioned in the case for these products is those who are off-campus, particularly parents/grandparents who are unlikely to create in store traffic. In Amy's opinion, the solution is of course creating an online presence to support growth in this market. Even though industry information suggests that an online presence will also increase in store traffic driving rather than cannibalizing sales, quantifying this increase will be complex and as demonstrated previously, not financially viable at the current time.

A case could be made to establish an on-line presence that would not include a secure sales function, perhaps as an addition to the university website which would require little out-of-pocket cost. Although no financial information has been provided in the case, this may be a reasonable, low risk next step that addresses the potential for non-campus customers and the possibility of driving in store sales.

3. As the case draws to a close Amy is considering different ideas regarding what the future of the Bookstore might be like. Consider the options she presents and comment on their potential for success. Are there other alternatives she might consider?

Johnson and Scholes (2008) provide a model for the evaluation of strategic options. Alternatives are considered against three criteria for success:

- Suitability
- Feasibility
- Acceptability

Each criterion is then broken down into component parts that help determine the extent to which an alternative meets the criterion. We have adapted a modified version of the framework by assessing each alternative’s sub-factors on a three point scale where 1 is low, 2 is moderate, and 3 is high. These ratings are then averaged to provide a decimal score for each criterion. Finally, the Suitability, Feasibility, and Acceptability scores are averaged to provide an overall score that represents the potential effectiveness of the strategy being considered. The results of the analysis are tabulated and discussed following (TN-Table 1).

Strategic Option	Suitability				Feasibility					Acceptability				Overall S+F %
	Econ Logic	Economy	Enviro/Capa	S-Score	Funding	People	Time	Information	F-Score	Return	Risk	Stakeholders	A-Score	
Used book sales	3	2	3	0.89	2	2	2	1	0.58	3	1	3	0.78	0.78
E-commerce	1	2	1	0.44	1	3	2	1	0.58	2	3	2	0.78	0.67
E-books	3	2	2	0.78	3	3	2	1	0.75	2	2	2	0.67	0.67
Book rentals	3	2	2	0.78	2	2	2	1	0.58	2	1	3	0.67	0.67

TN-Table 1. Modified Evaluation of Strategic Options Framework

Used Book Sales

The option to sell used texts generates the highest potential effectiveness score, albeit marginally. In terms of suitability, selling used texts is a reasonable course of action given its potential to generate superior margins while selling at below new textbook prices. That said, the option will involve cash outlay to purchase a used text inventory, and will generate inventory management expenses while being non-returnable (an important difference from traditional new textbooks).

Regarding feasibility, there are a number of unknowns that will need to be mitigated. Little is known at this point regarding the University’s willingness to finance such a venture, nor whether additional staffing resources will be required to manage inventory. A serious deficiency with the alternative lies in the textbook ordering process into which the bookstore is locked – should a professor decide to change textbooks or order a new edition, the store will be stuck with obsolete and potentially unsalable inventory.

The acceptability of the alternative is reasonably high, given the superior return that used books generate and the attractiveness of less expensive textbooks to the store’s student clientele. A mitigating consideration however is the risk associated with the maintenance of an inventory that may have a short shelf life.

E-Commerce

Developing a retail presence online will doubtless be a popular alternative among students given the prevalence of online retail. It must be considered however that this option might not be the most suitable given the Crandall Bookstore's present situation. In terms of economic logic, narrative data indicates that students are motivated primarily by price – there is no indication that they suffer from a lack of access to textbooks via brick and mortar operations. Thus while developing an online presence may assist with the sale of non-textbook products and possibly access new customer segments (e.g. parents, etc.) it will not likely help with the present textbook problem.

In terms of feasibility not too much is known from the narrative – it may be speculated though that this will be the most expensive of all options as an e-commerce website would need to be developed and maintained. Further, the issue of asynchronous communication regarding the ordering of textbooks (i.e. professors not ordering in a timely manner) would continue to plague an online store in the same way it would a physical one.

Acceptability would likely be high – the risk entailed by an online presence is not overly high (no buildings need be constructed). The return on such an investment at this point is relatively unknown however, and students may not embrace online purchasing to meet their textbook needs – again, the narrative indicates that price, not access, is the issue for them

E-Books

E-books stand out as a tantalizing option, given their growing presence in the market and the fact that publishers appear to be embracing the technology (and that e-books sell for less than print books). At the same time it must be remembered that university student adoption rates of e-books at present appears to be low, perhaps diminishing the suitability of the option somewhat.

The feasibility of moving to an e-book platform for the Bookstore is high, given that there will be no additional cost associated with the venture, and that inventory management expenses would decrease substantially should shelves of print textbooks no longer be required. The option would still however struggle with the vagaries of the ordering process.

Regarding acceptability, e-books are a middle of the road alternative. A reasonable margin might be obtained from their sale, but the makeup of the sales price will continue to be dominated by the publishers, who interestingly enough are now also functioning as competitors. The most substantial risk associated with the venture lies in the fact that students appear hesitant to leave the printed page behind – if this trend continues the Bookstore could find that it had ultimately hurt itself by moving to an e-book footing.

Book Rentals

The option of renting textbooks carries with it some of the same advantages of selling used textbooks – if a particular book can be rented multiple times there is significant revenue producing potential. There are also the same concerns regarding financing requirements to purchase a rental inventory, the costs associated with its maintenance, and the risk of holding obsolete product should titles or editions change.

Accordingly, there are unknowns regarding resource requirements to establish and maintain a rental operation that serve to downgrade the option's feasibility. And as with every other option, the challenges associated with the textbook ordering process remain.

Acceptability of this alternative should be reasonably high – as mentioned the profit potential is substantial, though offset by some significant risks. Students should welcome the option as it would provide them with a needed product at a substantial discount off of the price of a new textbook

Conclusion

On the basis of the analysis rendered, adopting a used book selling strategy carries with it the greatest potential effectiveness. While not without risk, the alternative will provide the store with a way to deal its primary product to its primary customer in a way that will appeal to the price sensitivity of the market.

Teaching Plan

An important characteristic of technological advancement is the significant impact it may have on entire industries including all actors within a business model. This case examines the role of management adaptability for a relatively small player in the industry in the process of undergoing such changes. Three alternatives are suggested for classroom application of the case:

(1) Expanded Case Analysis: Assign the case as a group project with an extended period of time for completion. Students – acting in the role of consultants (or alternatively in role as Amy Pattison) - are expected to prepare a formal report including (a) identification of the central problem, (b) analysis using case information, (c) suggestion and discussion of alternatives, and (d) recommendations and discussion of implementation. The report could be accompanied by a presentation supported by appropriate visual aids and a general class discussion. This application provides an opportunity to assess students' capabilities to conduct expanded analysis that goes beyond the constraints of the case by drawing upon (if the instructor permits) independent research.

(2) Case Exam Format: Assign the case as a group or individual project with a fixed period of time (e.g. three hours) for completion. As with the Expanded Case Analysis students are expected to adopt a consultancy approach and apply an analytical framework to advance a recommendation. A short report or presentation should follow. This application provides an opportunity to assess students' capabilities to conduct analysis when faced with limited resources (e.g. access to research, time, etc.).

(3) Guided Class / Group Discussion: Assign the case to be read individually in advance of the class. As a class or in groups, engage students in a discussion of the topics / teaching objectives addressed by the case. Assignment questions could be completed in advance of the class on an individual or group basis, or assigned in class on a group basis with a follow-up discussion. Alternatively, the instructor may choose to present his / her own analysis of the case for the purpose of teaching the case method or particular theory relevant to the case, or to contrast with student analysis for the purpose of exploring differences between them and seeking to determine why such differences exist.

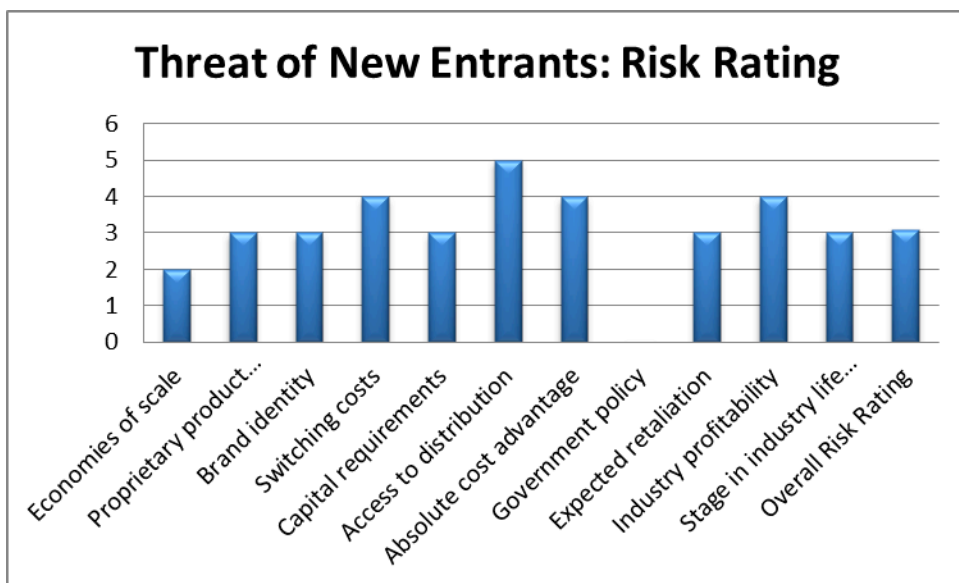
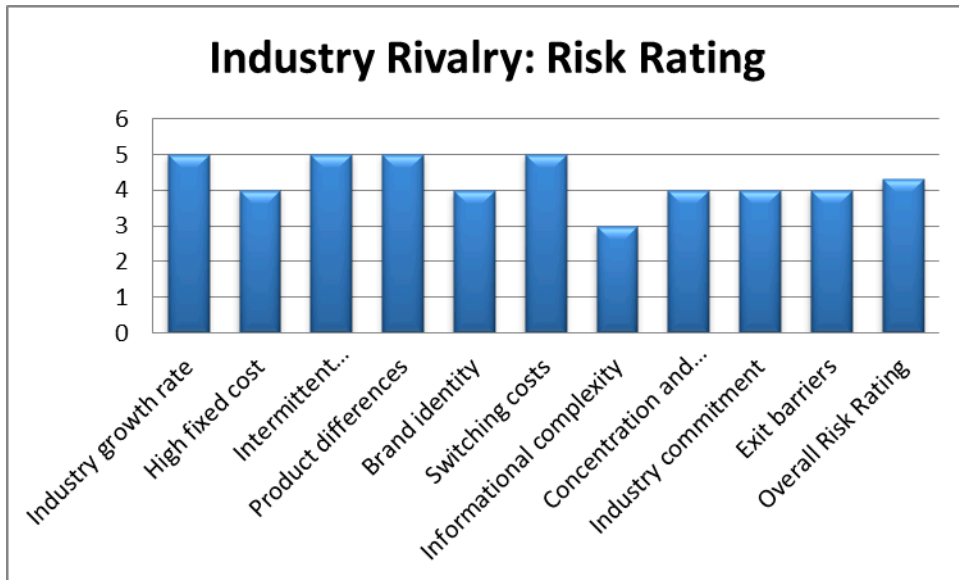
Teaching Note Exhibits

The graphs included in Teaching Note Exhibit 1 are visual representations of the analysis in Question 1. They may be useful during discussion of the case and/or comparison with student results.

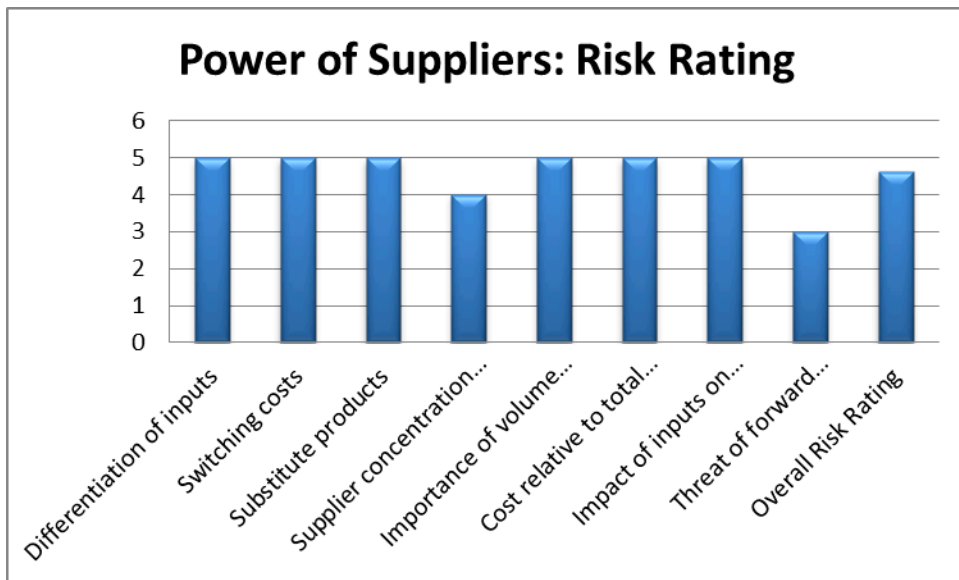
Epilogue

At time of writing Amy Pattison continues to gather data and make changes to the product mix offered by the store. She admits to an ongoing sense of frustration due to an incomplete understanding of consumer behavior (e.g. notwithstanding past periods when many books went unsold, the 2014-15 academic year has found a seeming increased demand for textbooks resulting in shortages for several titles). She does believe that her analysis to date points to a need to offer a used book alternative, and is working to make this option a reality for the 2015-16 academic year.

Teaching Note Exhibit 1: Five Forces Analysis



Teaching Note Exhibit 1: Five Forces Analysis



Teaching Note Exhibit 1: Five Forces Analysis

